



BACHELOR OF ARTS (HONOURS) IN POLITICAL SCIENCE

SEMESTER-III

Core-VI: Introduction to Public Administration

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ABOUT THE UNIVERSITY

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The University started functioning on 27 November 1943, at Ravenshaw College, Cuttack. It originated as an affiliating and examining body but shifted to its present campus spread over 400 acres of land at Vani Vihar in Bhubaneswar, in 1962.

A number of Postgraduate Departments and other centres were established in the University campus. There are presently more than two hundred general affiliated colleges under the University. It has eleven autonomous colleges under its jurisdiction, twenty-eight constituent postgraduate departments, 2 constituent law colleges and a Directorate of Distance & Continuing Education. It boasts of a centre for Population Studies, a School of Women's Studies, an Academic Staff College, a pre-school and a high school. The University also offers a number of self-financing courses.

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We wish you happy reading.

DIRECTOR

Core-VI: Introduction to Public Administration

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BLOCK- 1
PUBLIC ADMINISTRATION AS A DISCIPLINE

Unit-1: Meaning, Scope and Significance of Public Administration

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UNIT-1: MEANING, SCOPE AND SIGNIFICANCE OF PUBLIC ADMINISTRATION

Structure

- 1.1 Objectives
- 1.2 Introduction
- 1.3 Defining Public Administration
- 1.4 Features of Public Administration
- 1.5 Nature of Public Administration
- 1.6 Scope of Public Administration
- 1.7 Significance of Public Administration Summary
- 1.8 Summary
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- 1.10 Self Assessment Questions
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1.1: OBJECTIVES

After going through this unit, you will be able to know:

- Learn the nature and scope of public administration
- Discuss the similarities and differences between public and private administration
- Explain the basic features of new public administration
- Describe the essential elements of new public management

1.2: INTRODUCTION

Public administration is a field of study and practice that involves the management, implementation, and coordination of public policies and programs. It is a crucial aspect of government that focuses on the organization and functioning of public agencies, as well as the relationships between these agencies and the citizens they serve. Public administration plays a vital role in ensuring the effective and efficient delivery of public services, promoting transparency, accountability, and responsiveness in governmental activities.

1.3 DEFINING PUBLIC ADMINISTRATION

Public administration is like any other administration which is carried out in public interest. It is an ancient activity common to just about all countries and all levels of government. But as social,

technological, economical, physical and cultural factors change with time, so do societies differ from country to country. Consequently, Public administration's activities and structures also vary from nation to nation.

The word public administration is the combination of two words—public and administration. The word “public” stands for the people of a definite territory or state. As the will of the people of a state is represented by the government, the word “public” also connotes a specialized meaning, i.e., governmental. The word Administer is an English word, which is originated from the Latin word ‘ad’ and ‘ministrare’, which means ‘to serve’, ‘to care for’ or ‘to look after people’. Thus, in simple words “administration” means the “management of affairs” or looking after the people. Administration may be defined as the group activity which involves cooperation and coordination for the purpose of achieving desired goals or objectives.

The term ‘administration’ has been variously defined by different writers. Some definitions of the word ‘administration’ are as follows :

According to **Theo Haimann**, “Administration means overall determination of policies, setting of major objectives, the identification of general purposes, and laying down of broad programmes and projects”.

According to **Newman** “Administration means guidance, leadership & control of the efforts of the groups towards some common goals.

According to **Pfiffner and Presthus**, administration means “An activity or process mainly concerned with the means for carrying out prescribed ends.

According to **Simon, Smithburg, Thompson**, “Administration can be defined as the activities of groups cooperating to accomplish common goals”.

According to **Marx**, administration is determined action taken in pursuit of a conscious purpose. It is the systematic ordering of affairs and the calculated use of resources aimed at making those happen which one wants to happen.

Public Administration: Meaning

Public Administration is the complex of Governmental activities that are undertaken in public interest at different levels such as the central, state and local level. It essentially deals with the, machinery and procedures of Government activities. It is a means by which the policy decisions are made by the political decision makers.

Public Administration is decision making, planning the work to be done, formulating objectives and goals, working with the legislature and citizens of organization to gain public support and funds for Government programmes, establishing and revising organization, directing and supervising employees, providing leadership, communicating and receiving communication, determining work methods and procedures, appraising performance, exercising control and other functions performed by government executives and supervisors. It is the action part of the Government, the means by which the purpose and goals of the Government are realized.

With the emergence of democracy and the concept of modern welfare service of state, the governmental activities have increased by leaps and bounds. Initially, the Governmental activities were mainly limited to maintain the law and order, collection of revenue and protecting the citizens from external aggression. But, nowadays, the Government has to take care of its citizens from womb to tomb. It means the Government has to provide various goods and services to people from birth to death and even after that in the form of taking care of the family of deceased.

Various definitions of Public Administration are as follows-

Encyclopaedia Britannica defines public administration as ‘the application of a policy of a state through its government.’. Public Administration, therefore, refers to that part of administration, which pertains to the administrative activities of the government.

Woodrow Wilson is regarded as the father of the discipline of Public Administration. According to Prof. Woodrow Wilson, “Public Administration is the detailed and systematic application of Law. Every particular application of a law is an act of administration”.

According to L.D.White, “Public Administration consists of all those operations having for the purpose of fulfillment or enforcement of public policies .

According to Mc Queen, “Public Administration is the administration related to the operation of the Government whether Local or Central”.

According to J.M. Pfiffner “Administration consists of getting the work of government done by coordinating the efforts of the people so that they can work together to accomplish their set tasks”.

According to H. Walker, “The work which the government does to give effect to a law is called administration”.

According to D. Waldo who defines, public administration as “the art and science of management as applied to the affairs of state.”

All these definitions make it clear that public administration is really government in action. In common usage, it is concerned with the executive, the operative and the most obvious part of the government. In other words it is mainly concerned with the executing and implementing part of the governmental activity, with the question as how low should be administered with equity, speed and without friction. Therefore, public administration comprises the systematic execution of the will of the people which has been discovered, formulated and expressed in the form of laws by the legislation. To summarize, it may be said that public administration is the non-political machinery of the government carrying on its work for the welfare of the people according to the laws set up by the state.

1.4 FEATURES OF PUBLIC ADMINISTRATION

- It deals with the implementation of government programmes and policies
- There are many elements to public administration and management, such as laws, rules/regulations, policies, procedures, and hierarchies
- Public officials have to follow the principles of impartiality, neutrality, anonymity, impartiality, and ethics
- Public-oriented services are in place
- It covers the management and functioning of different government-centric activities at the federal, state, and local levels
- All three government branches relate to public administration in the Executive, the Legislature, and the Judiciary
- The hiring of officials is done as per their level of seniority and merit
- Public administration mainly focuses on action-related matters, such as decision-making, human resources, and service delivery
- The political executive is the main controlling power
- It focuses on socio-economical development and modification

1.5 NATURE OF PUBLIC ADMINISTRATION

There are two views regarding the Nature of Public Administration, that is, Integral and Managerial. According to the integral view, 'administration' is the total of all the activities – manual, clerical, managerial, etc., which are undertaken to realise the objectives of the organisation. In this view, all the acts of Officials of the government from the Attendant to the Secretaries to the Government and the Head of the State constitute Public Administration. Henri Fayol and L.D. White are the supporters of this view.

According to the managerial view of administration, the managerial activities of people who are involved in planning, organising, commanding, coordinating and controlling constitute Public Administration. This view regards the administration as getting things done and not doing things. Luther Gullick, Herbert Simon, Smithburg and Thompson are the supporters of this view. The managerial view excludes Public Administration from non-managerial activities such as Manual, clerical and technical activities.

The two views differ from each other in many ways. According to Prof. M.P. Sharma, the difference between the two views is fundamental. The integral view includes the activities of all the persons engaged in administration whereas the managerial view restricts itself only to the activities of the few persons at the top. The integral view depicts all types of activities from manual to managerial, from non-technical to technical whereas the managerial view takes into account only the managerial activities in an organisation. Furthermore, Administration, according to the integral view would differ from one sphere to another depending upon the subject matter, but that will not be the case according to the managerial point of view because the managerial view is identified with the managerial techniques common to all the fields of administration.

The difference between the two views relates to the difference between management and operation or we may say between getting things done and doing things. The correct meaning of the term administration would, however, depend upon the context in which it is used. Dimock, Dimock and Koening sum up in the following words:

“As a study, Public Administration examines every aspect of the government’s efforts to discharge the laws and to give effect to public policy; as a process, it is all the steps taken between the time an enforcement agency assumes jurisdiction and the last break is placed (but includes also that agency’s participation, if any, in the formulation of the programme in the first place); and as a vocation, it is organising and directing the activities of others in a public agency.”

1.6 SCOPE OF PUBLIC ADMINISTRATION

By the scope of Public Administration, we mean the major concerns of Public Administration as an activity and as a discipline.

Scope of Public Administration as an Activity

Broadly speaking, Public Administration embraces all the activities of the government. Hence as an activity, the scope of Public Administration is no less than the scope of state activity. In the

modern welfare state, people expect many things – a wide variety of services and protection from the government. In this context, Public Administration provides several welfare and social security services to the people. Besides, it has to manage government-owned industries and regulate private industries. Public Administration covers every area and activity within the ambit of public policy. Thus, the scope of Public Administration is very wide in the modern state.

Scope of Public Administration as a Discipline

The scope of Public Administration as a discipline, that is the subject of studies, comprises the following:

• The POSDCoRB View

Several writers have defined the scope of Public Administration in varying terms. Gullick sums up the scope of the subject by the letters of the word POSDCoRB which denote: Planning, Organisation, Staffing, Directing, coordination, reporting the Budgeting. Planning means working out in a broad outline the things to be done, and the methods to be adopted to accomplish the purpose. Organisation means the establishment of the formal structure of authority through which the work is sub-divided, arranged, defined and coordinated. Staffing means the recruitment and training of the personnel and their conditions of work. Directing means making decisions and issuing orders and instructions. Coordinating means inter-relating the work of various divisions, sections and other parts of the organisation. Reporting means informing the superiors within the agency to whom the executive is responsible about what is going on. Budgeting means fiscal planning, control and accounting.

According to Gullick, POSDCoRB activities are common to all organizations. They are the common problems of management that are found in different agencies regardless of the nature of the work they do. POSDCoRB gives unity, certainty, and definiteness and makes the study more systematic. The critics pointed out that the POSDCoRB activities were neither the whole of the administration nor even the most important part of it. The POSDCoRB view overlooks the fact that different agencies are faced with different administrative problems, which are peculiar to the nature of the services, they render and the functions they performed. The POSDCoRB view takes into consideration only the common techniques of the administration and ignores the study of the ‘subject matter’ with which the agency is concerned. A major defect is that the POSDCoRB view does not contain any reference to the formulation and implementation of the policy. Therefore, the scope of administration is defined very narrowly, being too inward-looking and too conscious of the top management.

• The Subject Matter View

We all know that Public Administration deals not only with the processes but also with the substantive matters of administration, such as Defence, Law and Order, Education, Public Health, Agriculture, Public Works, Social Security, Justice, Welfare, etc. These services require not only POSDCoRB techniques but also important specialized techniques of their own which are not covered by POSDCoRB techniques. For example, if you take Police administration it has its techniques in crime detection, maintenance of Law and Order, etc., which are much more vital to efficient police work, than the formal principles of organisation, personnel management, coordination or finance and it is the same with other services too. Therefore, the study of Public Administration should deal with both the processes (that is POSDCoRB techniques and the substantive concerns). We conclude the scope of Public Administration with the statement of Lewis Meriam: "Public Administration is an instrument with two blades like a pair of scissors. One blade may be knowledge of the field covered by POSDCoRB; the other blade is Knowledge of the subject matter in which these techniques are applied. Both blades must be good to make an effective tool". We may conclude the discussion with the observation of Herbert Simon who says that Public Administration has two important aspects, namely deciding and doing things. The first provides the basis for the second. One cannot conceive of any discipline without thinking or deciding. Thus, Public Administration is a broad-ranging and amorphous combination of theory and practice.

1.7 SIGNIFICANCE OF PUBLIC ADMINISTRATION

The public administration has to play a significant role as an instrument of development and change. The administration of the country reflects the genius of its people and embodies their qualities, desires, and aspirations. Public administration has become an essential segment of modern society which has witnessed the emergence of what is called by administrative thinkers an 'Administrative State'. This means that every activity individual from 'Womb to tomb' is regulated and controlled by the State agencies, that is, administrative agencies. Public administration refers to an activity in which the government is involved. So, it can be said that the word public administration has got more significance in the background of government functions. The most important function of the government is to govern, i.e., to maintain peace and public order and to ensure the safety and security of the life and property of the citizens. It has to ensure that contracts are honored by the citizens, and their disputes are settled. This most significant role of the government is to be fulfilled through the instrument of public administration. The most important function of the government is to govern, i.e., to maintain peace and public order and to ensure the safety and security of the life and property of the citizens.

It has to ensure that contracts are honored by the citizens, and their disputes are settled. This most significant role of the government is to be fulfilled through the instrument of public administration. At the beginning of civilization, this was probably the only function performed by the public administration. As civilization has advanced, the government has taken over many essential functions, but the importance of these basic functions should not be minimized. Worthwhile progress or development is not possible unless the citizens can live in peace.

1.8 SUMMARY

- The term public administration appears to suggest that there must be non-public or private administration also. Some thinkers believe that all the administration is one and there is no difference between public or private administration.
- The public and private administrations show a number of similarities in practice. We usually say that all those activities which are performed by the governmental agencies or public agencies form part of public administration while those performed by the private agencies are called private administration.
- Periods of turbulence and instability in history often produce new waves of thought that seek to challenge the traditional contents of academic disciplines and therefore, impart to them a new direction. Since 1968, the evolving discipline of public administration came to be enriched by the emergence of what came to be known as the *New Public Administration*.
- The field of public administration has been rife with debate about the *New Public Management*, as it is called. This has been like a reform agenda that ushered in globally during the last two decades, and is the outcome of several changes embedded in the social as well as political context in the Western democracies.
- Government is a plural activity and part of the political system of administrative thinking and administrative theory.
- Misconceptions about decision-making is at the top of the pyramid, and decision makers corresponds to the rational comprehensive model.
- The theme of Harlan Cleveland is that, real power inside each system, and also with more sharing of real responsibility with outsiders.
- Administrators do not follow a logical progression of steps in making decisions.

1.9 KEY TERMS

- **Public administration:** Centrally concerned with the organization of government policies and programmes as well as the behavior of officials (usually non-elected) formally responsible for their conduct
- **New public administration:** An anti-positivist, anti-technical and anti-hierarchical reaction against traditional public administration
- **New public management:** A management philosophy used by governments since the 1980s to modernize the public sector; abroad and very complex term used to describe the wave of public sector reforms throughout the world since the 1980s

1.10 SELF ASSESSMENT QUESTIONS

1. Write a short note on the nature and scope of administration.
2. Provide a brief note on the similarities and dissimilarities between public and private administration.
3. Enlist the characteristics of new public administration.
4. Explain how the two fields differ and why the two terms are not interchangeable.
5. Explain the significance of public administration.

1.11 REFERENCES

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UNIT-2: APPROACHES TO THE STUDY OF PUBLIC ADMINISTRATION

Structure

- 2.1 Objectives
- 2.2 Introduction
- 2.3 Approaches to the Study of Public Administration
- 2.4 Summary
- 2.5 Key Terms
- 2.6 Self Assessment Questions
- 2.7 References

2.1 OBJECTIVES

After going through this unit, you will be able to know:

- Analyze the utility of public choice approach
- Understand the decision-making approach
- Explain the systems approach
- Discuss ecological approach based on comparative studies
- Learn public policy approach

2.2 INTRODUCTION

Public administration, as a field of study and practice, encompasses various approaches that offer distinct perspectives on how government organizations should be structured, managed, and operated. These approaches reflect evolving theories and changing societal expectations. Understanding these approaches is essential for scholars, practitioners, and policymakers involved in public administration.

2.3 APPROACHES TO THE STUDY OF PUBLIC ADMINISTRATION

- **Philosophical Approach**

The philosophical approach has a wide scope because it encompasses all facets of administrative tasks and articulates the principles that guide them. It frequently draws attention to how administrative actions rationalise human behaviour. A public administration philosophy is a classification and analysis framework that considers the values of the administrative institutions as well as the values and expectations of the people or society they should serve. This could include a philosophy of the science of administration, i.e., the processes and procedures by which the administration makes and defends decisions. The philosophical approach is said to be the oldest approach, examples of which are found in the following works: Republic, by Plato; Leviathan, by Thomas Hobbes; Second Treatise on Civil Government, by John Locke; Shantiparva of Mahabharat.

- **Legal Approach**

The Legal Approach is also known as the juristic approach. The proponents of this approach sought to study public administration as part of the law and focus on the formal legal structure and organization of public bodies. The legal perspective prioritizes the structure and operations of power. Emphasis is placed on the formal structure of offices, official responsibilities, scope of authority, and administrative discretion. Constitutions, codes of law, office manuals of rules and regulations, and judicial rulings are some of its primary source documents. The use of the legal approach in the study of public administration is particularly well recognized in some European nations, including Germany, Belgium, and France. In

these countries, there are two principal divisions of law, namely constitutional law and administrative law. Constitutional law deals with three organizations of the government, their interrelation and the distribution of power among them, whereas administrative law is mainly concerned with the structure and functions of public bodies, departments and authorities. The legal perspective helps comprehend the legal context in which the administrative system functions. However, by ignoring the sociological and psychological factors—the informal forces at work in the organization. This approach has been most popular in the continental countries of Europe like France, Germany, Belgium, the USA, and Britain. Frank J. Goodnow was the main advocate of this approach.

- **Historical Approach**

Theorists of the historical approach contend that a complete understanding of any subject requires knowledge of history. Through a historical lens, the administrative institutions were intended to be explained. It examines administrative institutions by following their evolution over a specific period. As a result, this method chronologically arranges and evaluates information on administrative institutions. The historical technique was emphasized by Woodrow Wilson, the founder of the field of public administration. Wilson, in his book *Administration: Principles and Methods*, as one of the two approaches best suited for the study of public administration (the other being the comparative approach). A society with a long history would greatly benefit from using this strategy due to the distinctiveness of its administrative structures. This approach studies public administration through the historical developments in the past having its impact on the present. L.D. White's four outstanding historical books, *The Federalists* (1948), *The Jeffersonians* (1951), *The Jacksonians*, and *The Republicans Era*, each examine the early years of the American federal government. The *Arthashastra* of Kautilya and the literature on Mughal and British administration offer glimpses of India's former governmental structure. The biographical approach to administration and this approach are closely related.

- **Case Method Approach**

It relates to the recounting of certain incidents that make up or influence an administrator's judgement. It aims to recreate administrative realities and familiarize public administration students with them. When Harold Stein was published in 1952, it gained popularity in the United States of

America. Numerous case studies have been published in India as well by the National Academy of Administration in Mussoorie and the Indian Institute of Public Administration in New Delhi. According to Dwight Waldo, the case method will always be a part of public administration research and instruction.

- **Institutional Approach**

This approaches to the study of public administration are the oldest, and in terms of number, it has the largest following. But it is the least homogeneous of all public administration schools as it is including its protagonists, teachers, and research workers with varied training, ranging from political scientists to specialists in scientific management techniques. Since the fifties of the last century, there has been a shift in this approach. Although the study has retained its institutional character, the policy administration dichotomy has been disqualified after being found too hasty. More attention is now being given to the normative aspects of the public administration dichotomy has been disqualified after being found too easy.

- **Structural Approach**

The Structural Approach is based on the description of the administrative structure of the governmental bodies. This approach emphasizes the study of POSDCORB techniques of administration. But the administrative structure and techniques cannot be studied without proper reference to the environment in which public administration is working as well as the human factor. Taylor concentrated on the work methods, machines, and materials. He concentrated on the questions of mechanical efficiency. Scientific Management taking efficiency as the objective, views administration as a technical problem concerned basically with the division of labour and specialization of functions. This approach is considered defective because it ignores the human elements in administration.

- **Human Relations Approach**

After 1920, a human relations theory was developed to describe how an organization's informal culture works. Taylor's Scientific Management method, a branch of the wide Classical approach that gained popularity at the start of the 20th century, sparked the development of this technique. The entire human culture was influenced by the material and mechanical environment as a result of the Scientific Management approach. The focus in industries was on raising production. As a result, labour turned into a commodity and a human cog in the machine. Before employees, the main issues were poor pay, long hours, unpleasant working conditions, and exploitation of labour. Managers disregarded the social and psychological demands of the workplace. These forces combined to make employees disinterested in their jobs. Additionally, as a result of technical advancements in the workplace, workers' professional and educational levels significantly grew, increasing their assertiveness towards their rights and interests. The Communist Revolution in the Soviet Union, together with the class conflict and trade union movement in the United States, served as the stimulus

for the development of the human relations approach.

- **Behavioural Approach**

The term "behavioural approach" refers to the scientific investigation of people in various organisational contexts. This method's focus is on human behaviour, and all of its findings are drawn from that. It makes an effort to comprehend why public servants behave in the way that they do. It uses a variety of methods from behavioural science to comprehend how people behave in a variety of administrative settings. Instead of concentrating on laws and regulations; it performs scientific research on how people behave both individually and in groups within various cultural situations. To do this, businesses have been considered as social systems where informal communication and interpersonal relationships between employees are given significant consideration. It is believed that understanding of internal dynamics of administration has a direct bearing on the behavioural understanding of its employees. Behaviouralism in public administration has its roots in Elton Mayo's Hawthorne Experiments, which were carried out between 1928 and 1932. By posing a challenge to the mechanical nature of the work of classical scholars, these studies were successful in exposing the significance of human dynamics in administration. The Hawthorne investigations revealed the significance of interpersonal relationships in affecting organisational performance in addition to confirming the existence of informal organisations inside formal structures. M.P. Follet's publications, which came before him, stimulated innovative thought in this field. It is impossible to ignore her contribution to the behavioural approach's growth. Instead; her ideas might be seen as a predecessor to the behavioural and human relations movements. She introduced ideas like the law of situations, constructive conflict, democratic leadership, power, authority, and control, among others, in her well-known book "Dynamic Administration," which encouraged Harvard Business School students working under the direction of Elton Mayo to carry out several experiments that are known as the "Hawthorne Experiments." The results of these tests gave traditional and scientific management thought a major shock.

- **Systems Approach**

According to this system approach in organizational analysis, an organization can be considered a social system to be studied in its totality in other words, a system is a collection of interrelated parts that receive inputs, and act upon them in an organizational or planned manner and thereby produces certain outputs. A system is characterized by three properties. First, it is a set of interactions. Second, these interrelated activities or elements have a bouncily set around them. The most important activity of a system is to maintain administrative order and equilibrium among various subsystems. Thus, it is an assembly of interdependent parts that interact among themselves. Interdependent implies that a change in one-part influences other parts, or affects the entire system. Individuals are viewed as the basic unit of organizational systems. All human organizations are open systems. It receives input in the form of human and material resources and gives out outputs in the form of products, services or

rewards to its members as well as to the larger system. Herbert Simon was the chief contributor of the system approach to the study of organization. According to him, organization is a total system a composite of all the subsystems which serve to produce the desired output. His basic assumption is that the elements of organizational structure and function emanate from the characteristics of human problem-solving processes and rational choice. Therefore, the organization is viewed as a system comprising individuals making choices and behaving based on their reactions to their needs and environment

- **Ecological Approach**

Fred W. Riggs made a pioneering contribution towards developing the Ecological approach, which analyzed the functioning of administration situated in an environment and provided important insights into the functioning of administrative systems in prismatic or developing societies. His important work “The Ecology of Public Administration” (1961) and “Administration in Developing Countries: The Theory of

Prismatic Society” (1964) reflects upon this subject. This approach has helped in understanding the reasons behind the differences in the functioning of administration in different societies and also within a society. Here administration is considered as a system, which is a unit that continuously interacts with its environment consisting of economic, social and political components and influencing each other in multifarious ways. This is premised on the idea that our society is a larger system consisting of various sub-systems and administrative institutions are one of them. Ecological analysis has proved to be immensely useful in promoting comparative studies. Through Reflections of Public Administration (1945), John Gaus introduced the ecological perspective in public administration.

- **Socio-Psychological Approach**

Many administrative thinkers have made employee motivation a key topic of study. Scientific management created the piecework-based payment system because it thought that manipulating incentives and punishments might encourage employees. It was expected that a worker would be persuaded to create more because remuneration was based on how much was produced. The idea behind specialization was that if a person focused on a specific area of labour, he would create more, which would increase his pay. This notion of motivation was criticized by Elton Mayo's Hawthorne experiments, but it did not produce a complete explanation of motivation. Abraham Maslow achieved a breakthrough in human motivation in 1943 with the publication of his work titled "A Theory of Human Motivation" in the journal Psychological Review. Maslow proposed a hierarchy of human needs in this essay. Humans are pleasure-seeking creatures who are driven to meet their basic requirements. Before Maslow, all administrative philosophers of the human relation school adopted an instrumental view of man, believing that he could be manipulated to become a more productive tool of the organization. Maslow deviates from this line of thought. He claims that the employee

should not be considered a tool since an independent hierarchy of needs motivates him. In other words, man is a self-actualizing entity. Maslow believes that the best managers are those that increase their employees' health. This course attempts to clarify Abraham Maslow's and Frederick Herzberg's perspectives on human motivation while also assessing the influence of their motivational theories on organizational processes.

2.4 SUMMARY

The approaches to the study of public administration can be divided into normative and empirical approaches. The normative approaches of public administration concentrate on what public administration should be. The empirical approach focuses on the description and analysis of actual administrative situations. Several approaches to the subject have been developed, including the Historical Approach, Legal Approach, Philosophical Approach, Institutional Approach, Case Method Approach, System Approach, Behavioural Approach, Structural Approach, Ecological Approach etc.

2.5 KEY TERMS

- **Public choice theory:** The subset of positive political theory which deals with subjects in which material interests are assumed to predominate
- **Heterogeneity:** The simultaneous presence, side by side, of quite different kinds of system, practices and view points
- **Formalism:** The degree of discrepancy or congruence between the formally prescribed and the effectively practiced, between norms and realities
- **Nepotism:** Providing unfair advantages to one's own family, especially if one is in a position that commands power

2.6 QUESTIONS AND EXERCISES

1. Define the term 'System'. What is the relevance of System Approach for the study of complex organization in public administration?
2. Explain systems model for policy analysis.
3. Explain the various approaches to the study of public administration.
2. Briefly explain the behavioural approach.

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UNIT-3: PUBLIC AND PRIVATE ADMINISTRATION

Structure

3.1 Objectives

3.2 Introduction

3.3 Public and Private Administration

3.4. Summary

3.5 Key Terms

3.6 Self Assessment Questions

3.7 References

3.1 OBJECTIVES

After going through this unit, you will be able to know:

- What is Public and Private Administration
- Similarities Between Public and Private Administration
- Distinction Between Public and Private Administration

3.2 INTRODUCTION

Public administration refers to the administration which operates in the governmental setting. Private administration, on the other hand, refers to the administration which operates in non-governmental settings, that is, business enterprises. Hence, they are also known as governmental administration and business administration respectively. Public administration is different from private administration in terms of the environment which is the institutional setting in which it operates. Paul H. Appleby, Sir Josia Stamp, Herbert A. Simon and Peter Drucker made a distinction between public and private administrations. According to Appleby, Public administration different from private administration in three aspects that is a political character, breadth of scope, impact and consideration, and public accountability.

3.3 PUBLIC AND PRIVATE ADMINISTRATION

The term public administration appears to suggest that there must be non-public or private administration also. Some thinkers believe that all the administration is one and there is no difference between public or private administration. There is difference of opinion regarding the relationship between public and private administration. There are some thinkers who consider that there is no difference between the two and that the administrative activities and techniques are similar in all the organizations, whether they be private or public. Urwick, Mary Parker Follet and Henri Fayol

subscribe to this view. According to H. Fayol, 'we are no longer confronted with several administrative sciences but with one which can be applied equally well to public and private affairs.'

Similarities and Differences between Public and Private Administration

Various thinkers suggest various points of similarities between the two. First, many skills, techniques and procedures adopted in private and public administration are the same, e.g., accounting, office procedure and management, etc. This view holds true because of the fact that there is an occasional inter-change of personnel between the two. It would not have been possible, had there been difference in the working of the private and public administrative organizations.

The public and private administration show a number of similarities in practice. We usually say that all those activities which are performed by the governmental agencies or public agencies form part of public administration while those performed by the private agencies are called private administration. There are, however, many activities which are performed both by private and public agencies. For example, business activities were mainly performed by private organizations. But, the Government has taken upon itself many economic and business activities, which hitherto were the preserves of private administration.

There are four basic elements of similarity between the public and private administration, which are as follows:

- 1. The cooperative element:** Public administration is a cooperative group effort in a public or private setting. In every human organization, be it private or public, the key to successful operations is the effective utilization of human and physical resources. Though the purposes or goals of these organizations may vary but the common factor is the element of cooperation which is present in both.
- 2. The large size of organizations:** In all the organizations where the number of employees is substantially high, the bureaucratic element is present. As it becomes difficult for one person to look after all the employees, the intermediate levels of supervisions are required. In other words various levels of hierarchy evolve and the organization grows in complexity. Thus, bureaucracy is another major element of similarity between the two.
- 3. Scientific analysis:** Scientific analysis involves breaking down each task into its component parts, studying the movement of the workers, the use made of materials and equipment, experimenting with different work methods and procedures and finally adopting those which proved most efficient. This scientific technique is increasingly used in both public as well as private administration.
- 4. The human relations approach:** The human relations approach is the main focus of

similarity between the two.

Though there are certain points of similarity between the public and private administration yet no private organization can ever be exactly same as a public one. The following are some points of differences between the two types of administration:

- **Political direction:** The primary distinction between public and private administration lies in the fact that unlike public administration, private administration is not subjected to political direction, save in times of the gravest emergency. The ends it pursues are of its own device. Its objectives generally do not depend upon political decisions. But the administrator under public administration has to carry on the orders which he gets from the political executive with little option of his own.

Profit motive: Public administration is conducted with the motive of service while the motive of private administration is profit-making. If the establishment of a textile mill brings more profit to the capitalist than the establishment of a sugar mill, the former will be preferred by him, however urgent the need of the latter may be. If private administration is useful to the public, its service to it is a by-product of profit-making. In public administration some functions are performed by the state, which are entirely money-consuming functions, for instance, running of a government school or hospital.

- **Service and cost:** In the matter of public administration only such a amount of money is raised by taxation which is necessary for the rendering of the service. In other words, there is an intimate relationship between the service rendered and the cost of service charged from the public. A government budget is generally a deficit budget, i.e., expenditure exceeding the income. In private administration, income often exceeds expenditure because there is usually an attempt made to extract as much money as possible through the sale of products or services.
- **Nature of functions:** Public administration is more comprehensive than private administration. It deals with the various types of needs of people, for example, in most countries, it maintains railways to facilitate movement of goods and passengers, provides posts and telegraphs to facilitate communication, maintains hospitals and dispensaries to protect public health. In a socialistic state the scope of state activity is still greater since its aim is to achieve greatest happiness of the greatest number. Private administration does not usually cover the economic needs of life. Public administration carries out functions, which are vital for the very existence of the people, for instance, defence of the country and maintenance of law and order. Private administration is concerned with less vital functions, e.g., manufacture of cloth, supply of sugar, etc., Besides, public administration monopolizes some of the services. For example, in India, it alone runs railways, manages posts and telegraphs and maintains an army. No private individual can undertake any of these functions. In private administration more than one

organization undertakes the same activity, e.g., supply of cloth,plying taxis for hire, etc.

- **Public responsibility:** Public administration has responsibility to the public. In the words of P.H. Appleby, ‘Government administration differs from all other administrative work by virtue of its public nature, the way in which it is subject to public scrutiny and outcry.’ On the other hand, private administration is only responsible about the people indirectly and generally it secures its own ends and not the welfare of its people.

- **Uniform treatment:** Public administration should be consistent in procedure and uniform in dealings with the public. An official cannot show favour to some people and disfavour to others. A private administration, on the other hand need not worry about

the uniformity in treatment. A shopkeeper selling cloth may give cloth on credit, but a clerk in a post office will not sell stamps on credit.

- **Public relation:** The public and private administration also differ on the principle of public relations. In the business world it is employed to win customers, by window displaying, free samples, design and colour of labels.
- **Efficiency:** It is felt that private administration is superior in efficiency to public administration. The glamour for ‘a businessman’s government’ or ‘Commercialization of the whole machinery of government’ or privatization of the octroi, electricity production and distribution, etc., shows that the people regard private administration more efficient which enjoys certain advantages, e.g., differential wage payment as incentive to increase production and to attract staff of superior ability from rival firms, etc., over public administration which is marked by red tapism, extravagance, corruption and inefficiency. In a private administration the incentive of more profits impels the individual to devote himself whole-heartedly in his business. But it does not mean that private administration is always efficient, or public administration is always inefficient. If the incentive of cash profits is lacking in public administration then the incentive and desire to make one’s own administration successful and win public approval is present there and with this incentive the administrators devote themselves whole-heartedly to achieve the efficiency of the office.
- **Organization:** Though the principle of ‘organization’ is relevant to both public and private administration, yet it has greater social consequences in the sphere of the former than in the realm of the latter because a defect in the organization in public administration will do more harm to the public than a lacuna in private administration. Huxley writes, ‘The state lives in a glasshouse, we see what it tries to do, and all its failures, partial or total, are made the most of. But private enterprise is sheltered under opaque bricks and mortar.’
- **Monopolistic:** In the field of public administration, there is generally a monopoly of government and it does not allow private parties to compete with it. For example, in most

countries no person or body of persons can establish post and telegraph, railway, or coin currency for these are the exclusive fields of the government. This is not so in private administration wherein there are several organizations competing with each other to supply the same commodity or to meet the same need. Of course, in certain cases, even private concerns may have a monopoly.

- **Officials remain Incognito:** In the public administration even the most senior officials remain incognito and their identity is not disclosed. This is so because whatever they do, they do in the name of the government and not in their own name. On the contrary, a private administration entrepreneur does things on his own behalf and is well-known in the business circles. In many cases, even business concerns are named after the names of their proprietors.
- **Psychological difference:** There is also a psychological difference between private and public administration. In the USA, during World War II, the coal mines were placed under governmental control and although no appreciable changes in the administration of the coal mines were made, there came about a change in the psychology of the workers for now they well knew the dangerous consequences of strikes, etc.

According to Simon, the distinction between public and private administration relates mainly to three points, which are as follows:

1. Public administration is bureaucratic whereas private administration is business like.
2. Public administration is political whereas private administration is non-political.
3. Public administration is characterized by red tape whereas private administration is free from it.

3.4 SUMMARY

The generalizations which distinguish public administration from private administration by special care for equality of treatment, legal authorization of, and responsibility of action, public administration by special care for equality of treatment, legal authorization of, and responsibility of action, public justification or justifiability of decisions, financial probity and meticulousness, and so forth are of very limited applicability. Public and private administration are two species of the same genus, but they have special values and techniques of their own which give each its distinctive character.

3.5 SELF ASSESSMENT QUESTIONS

1. Discuss the similarities between public and private administration.
2. Discuss the difference between public and private administration..

3.6 KEY TERMS

- **New public administration:** An anti-positivist, anti-technical and anti-hierarchical reaction against traditional public administration
- **New public management:** A management philosophy used by governments since the 1980s to modernize the public sector; abroad and very complex term used to describe the wave of public sector reforms throughout the world since the 1980s

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UNIT-4: EVOLUTION OF PUBLIC ADMINISTRATION

Structure

- 4.1 Objectives
- 4.2 Introduction
- 4.3 Evolution of Public Administration
- 4.4 Summary
- 4.5 Self Assessment Questions
- 4.6 References

4.1 OBJECTIVES

After going through this unit, you will be able to know:

- The emerging patterns of Evolution of Public Administration
- The basic concepts of each phase of the evolution of Public Administration

4.2 INTRODUCTION

The term ‘Public Administration’ has two perspectives. First, it is concerned with the activity of administering the affairs of the government, such as the maintenance of law and order, etc. Second, it is also associated with many fields of study such as sociology, political science, economics and philosophy etc. As a discipline, the study of Public Administration started in the 19th century after Woodrow Wilson, the father of Public Administration had done many commendable works in this field. It was he who thought

of separating Public Administration from politics to focus wholly on Public Administration as a separate subject. The evolution of Public Administration began with Wilson’s article, namely ‘The Study of Administration’ in the Journal of ‘Administration Science Quarterly’, published in 1887. After the publication of Wilson’s article, a new era for the study of Public Administration evolved gradually which led to the expansion of Public Administration as a separate discipline and the subject has been introduced in many important and reputed universities of the world. Though, Public Administration as a separate social science discipline has evolved with full of ups and downs. The evolution of Public Administration is divided into the following six phases:

4.3 EVOLUTION OF PUBLIC ADMINISTRATION

The study of public administration has evolved over the past century, with different eras placing emphasis on distinct theories, approaches, and focal points. Though early notions of a strict

separation between politics and administration laid the groundwork for the field of public administration, scholars have since sought to better integrate politics and administration in recognition of their interconnected nature. Broadly, the chronology of public administration can be divided into five stages:

1. The politics-administration dichotomy

2. Principles of administration

3. Era of challenge

4. Identity crisis

5. Public policy perspective

This progression reflects public administration's growth from a fledgling field focused on the bureaucratic hierarchy to an interdisciplinary social science drawing on fields like political science, economics, sociology, and psychology. Through periods of turmoil and reinvention, public administration has matured into a dynamic discipline engaged with complex policy questions. Looking back at the evolution of public administration provides insight into the field's historical foundations and changing nature. Tracing major stages in its development contextualises current theories and allows us to anticipate future directions. This overview examines each chronological stage in turn, charting the discipline's growth and refinement over more than a century.

Stage 1: Politics-Administration Dichotomy (1887-1926)

The first stage in the evolution of public administration is known as the politics-administration dichotomy, spanning from 1887 to 1926. This concept originated in an 1887 essay by Woodrow Wilson titled "The Study of Administration," in which he argued for a separation of politics and administration. Wilson believed that administrative activities should be separate from political activities. He asserted that administration should be run on scientific principles that are autonomous from political influence. Politics, in Wilson's view, was associated with policy making, while administration was concerned with policy execution. Under the politics-administration dichotomy, elected officials and policymakers handle the political process and make high-level decisions. Meanwhile, non-elected, professional administrators carry out day-to-day operations and implement policies in an apolitical, neutral manner. The dichotomy aims to isolate administrative decisions from the influence of political parties, interest groups, and electoral pressures. This theoretical separation of politics and administration was highly influential in the field's early development. It established public administration as a science, lending it legitimacy and autonomy from political science. The dichotomy dominated discourse in public administration through the 1920s. However, it later came under scrutiny as an oversimplified and unrealistic representation of government functioning.

Stage 2: Principles of Administration (1927-1937)

This stage was dominated by efforts to identify the principles of public administration. Scholars sought to define the field and establish it as a science by determining its fundamental theoretical principles.

Key contributions include:

1. – W.F. Willoughby's *Principles of Public Administration* (1927) which presented ideas like unity of command, hierarchy, accountability, and personnel management.
2. – Leonard D. White's *Introduction to the Study of Public Administration* (1926) covered issues such as the separation of policies and administration, executive leadership, personnel management, and so on.
3. – Luther Gulick and L. Urwick's *Papers on the Science of Administration* (1937) put forth the POSDCORB acronym – Planning, Organizing, Staffing, Directing, Coordinating, Reporting, and Budgeting as the key principles of administration.

The principles approach aimed to provide public administration theory distinguishing it from political science and management. However, it was critiqued for overemphasizing rigid, hierarchical principles over adaptability to changing contexts. Still, this stage established public administration's foundations as a field of administrative science.

Stage 3: Era of Challenge (1938-1947)

There began stage 3 in public administration which is known as the era of challenge, the time being 1938 to 1947. It was a Challenge to the previous age, the challenge to the previous state. Challenge would mean the people who are formulators of this phase, are questioning the previous phase, that's why the challenge. The challenge is that the previous phase had always been talking of all kinds of principles but this phase says that it is not possible just to go through any kind of understanding of an organization just by formulating and following principles there has to be more to it. The Significant publications in the 1940s, Harvard -Simons *Administrative Behavior* and Robert Dahl's essay entitled *The Science of Public Administration, Three Problems*, were actually if one talks of what this phase talks about, these two publications talked of the entire phase in their entirety. Simon argued in his article, *The Proverbs of Administration*, 1946, that there are no principles of administration. So he's trashed is essentially the principal phase that there can be nothing called principles in administration. He added that these proverbs were nothing more than general statements based on person-to-person experience and are always lacking in any kind of theoretical formulation or understanding. For instance, Robert Dahl raised a question about the claim of it being a science

once more in 1947. Now the quest for principles of administration according to **Robert Dahl, was obstructed by three factors.**

Firstly, the an unavoidable need for normative factors in public administration due to objective grounds of efficiency that are based on the communication of necessities. **Secondly**, he spoke against the machine concept of organization because it was found out that principally the previous school just spoke of organization being something like a machine. **Thirdly**, Dahl criticizes this tendency to generalize and draw universal principles based upon a few examples drawn from narrow countries and times. So Simon and Robert Dahl once said that there is going to be some kind of principle in administration. One is trashing it. On the other hand, the other person was of the opinion that this can never be public administration, this can never be a science because of certain specific factors.

Overall, the Era of Challenge marked an intellectual turning point for the field of public administration. What had previously been accepted wisdom – the clear separation between politics and administration – was now under serious debate and skepticism. This helped lay the groundwork for new theories and philosophies that would emerge in subsequent stages of the evolution of public administration.

Stage 4: Identity Crisis (1948-1970)

After World War II, the principles-based approach championed by the scholars at the Brownlow Committee began to receive criticism. Public administration struggled to establish its own identity as an academic discipline during this stage. The rigidity of the principles outlined previously failed to account for the complex realities involved in managing large public bureaucracies. Scholars challenged the idea that management principles should be value-neutral. The relevance of private sector practices for public sector management was questioned. Thinkers argued that the unique responsibilities of public administrators demand different principles suited for advancing democracy and the public interest. The politics-administration dichotomy that dominated the field's early years was heavily critiqued. The intertwined nature of policy making and administration made their clean separation unrealistic in practice. Calls grew for public administration research to become more problem-oriented with direct relevance to the issues facing governments. Overall, the identity crisis of public administration during this period stemmed from the difficulties of applying fixed scientific principles to the ever-changing needs of public bureaucracies. Finding a coherent conceptual framework to guide research and teaching remained elusive. This spurred efforts to redefine the field's purpose and approach in the following decades.

Stage V-Public Policy Perspective (1971-continuing)

The main theme that has emerged in this final stage of evolution is to ensure that public policy analysis is a central concern. Several fields are demonstrating much interest among public administration scholars, such as policy science, political economy, policy making, policy analysis, etc., which are linked to the field of public administration. With the abandonment of the traditional notion of a politics-administration dichotomy, the public policy approach gained acceptance in administrative analysis. As a result of the separation between politics and administration, Dwight Waldo concluded that the concept had become an “outworn credo”. In the view of Robert T. Golembiewski, there are two basic themes that are woven into the public policy approach stage of the evolution of public administration. The first is the interpenetration of politics and administration at all levels or at a number of different levels, and the second is the programmatic character of every aspect of administration. In general, all of these themes tended to focus attention in public administration on the political or policy-making process as well as on specific public programs or initiatives. By adopting a public policy approach to public administration, public administration has gained social relevance, become more interdisciplinary, and expanded the scope of its activities.

Current Trends

Since the 1970s, there have been several major trends in the evolution of public administration theory and practice:

1. **New Public Management** – This approach aims to make the public sector more efficient by borrowing management techniques from the private sector. There is a focus on performance management, contracting out services, and increasing competition.
2. **Digital Governance** – The rise of information technology has led to e-government initiatives, digitization of public services, big data analytics, and new opportunities for public participation. Many governments are utilising technology to be more responsive, transparent, and efficient.
3. **Collaborative Governance** – There is a greater emphasis on horizontal and vertical collaboration between government agencies, non-profits, private companies, and civic organisations to address complex policy problems. Networks, partnerships, and co-production are becoming more common.
4. **Evidence-Based Policy making** – Policy decisions are increasingly informed by objective evidence and data analysis. Scientific methods, experimental designs, and impact evaluations are used to determine the effectiveness of public policies and programs.
5. **Participatory Governance** – Citizens are participating more actively in public administration through means like open government data, crowd sourcing, participatory budgeting, and social audits. The boundaries between administrators and citizens are blurring.

6. **Sustainability** – Issues like climate change, environmental justice, and social equity have led to greater emphasis on sustainable development approaches in the public sector. Concepts like the triple bottom line (social, environmental, economic) are gaining prominence.

These trends demonstrate public administration's continuing evolution in response to changing technologies, societal demands, and governance challenges. More innovations will likely emerge in the future as administrators adapt to new realities and priorities.

4.4 SUMMARY

There have been various phases in the development of public administration as a subject since the beginning of the last century. The field began with the politics-administration dichotomy in the late 19th century to establish its legitimacy and its independence from political influences. In the 1930s, the next stage of development involved principles of management and administration. The following decades posed challenges to the principles outlined above, as the complexities of public administration became clear. Public administration underwent an identity crisis after World War II as it sought to define its objectives and direction of travel. It is more recently that public administration has adopted a public policy perspective, in recognition of the fact that administration cannot be divorced from broader societal objectives and political process.

In the future, the interdisciplinary nature of public administration, politics, government, and democratic ideals will continue to be challenging issues. As public servants continue to confront transnational policy issues, the field may become more global. A few transformations have occurred in public administration thanks to new public management reforms, information technology, and big data. Diversity and pragmatism are expected to be the defining elements of tomorrow's public administration theory and practice. However, the field's ultimate aim to promote the public good through efficient and responsible governance will be unchanged.

Looking ahead, public administration will likely continue grappling with its interdisciplinary nature, relationship to politics, role in governance, and potential as an instrument for realizing democratic ideals. The field may become more globalized as public servants increasingly confront transnational policy challenges. New public management reforms have already transformed aspects of public administration, while information technology and big data will bring further changes. Rather than a single governing paradigm, diversity, and pragmatism will likely define the future of public administration theory and practice. However, the field's ultimate concern with promoting the public good through effective and accountable governance will remain unchanged.

4.5 SELF ASSESSMENT QUESTIONS

1. Explain in detail each phase of the evolution of Public Administration.
2. Identify three key concepts of each phase of the evolution of Public Administration.
3. Explain the study of public administration in India.

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BLOCK-2

THEORETICAL PERSPECTIVE: CLASSICAL THEORIES , NEO- CLASSICAL AND CONTEMPORARY THEORIES

Unit-5: Scientific Management: F.W Tylor

Unit-6: Ideal-Type Bureaucracy: Max Weber

Unit-7: Administrative Management: Gullick and Urwick

Unit-8: Administrative Management: Fayol

Unit-9: Human Relations Theory: Elton Mayo

Unit-10: Rational Decision-Making Theory: Herbert Simon

Unit-11: Ecological Approach: Fred Riggs

Unit-12: Innovation and Entrepreneurship: Peter Drucker

UNIT-5: SCIENTIFIC MANAGEMENT: F.W TYLOR

Structure

- 5.1 Objectives
- 5.2 Introduction
- 5.3 The Background
- 5.4 Concept of Scientific Management
- 5.5 Objectives of Scientific Management
- 5.6 Techniques of Scientific Management
- 5.7 Principles of Scientific Management by Taylor:
- 5.8 Criticisms of The Scientific Management Movement:
- 5.9 Summary
- 5.10 Key Terms
- 5.11 Self Assessment Questions
- 5.12 References

5.1 OBJECTIVES

After going through this unit, you will be able to know:

- Examine the theory of scientific management as propounded by FW Taylor
- Highlight the important contributions of Taylor
- Describe the principles developed by these writers and its uniqueness in the study of organizations; and
- Compare and contrast the main ideas of these writers.

5.2 INTRODUCTION

Frederick Winslow Taylor (1856–1915) was an American mechanical engineer and one of the earliest management theorists. He is often regarded as the "Father of Scientific Management" for his pioneering work in the field of industrial engineering and organizational management.

Taylor's ideas and principles of scientific management were outlined in his influential book, "The Principles of Scientific Management," published in 1911. He advocated for the application of scientific methods to industrial processes with the goal of maximizing efficiency and productivity. Taylor believed that through systematic analysis and optimization of work processes, both employers and workers could benefit.

5.3 THE BACKGROUND

During the latter half of the nineteenth century, when industrial revolution had reached a stage of maturity, American business and industry were substantially expanding; it was giving rise to a new managerial class and resultant new problems of industrial planning and management. The practice of management began to change from a simple day-to-day problem-solving approach to a more comprehensive and integrated approach. The multiple managerial problems which were faced by the managers previously started reoccurring. This situation arose because of rapid industrialization. The working conditions in the factories were chaotic. The work methods, tools and, procedures were neither standardized nor planned for efficiency. Choice of methods of work was mainly left to the workers themselves resulting in considerable ad-hoc planning and inefficiency. The need was felt to increase productivity which required in the long run a more rational and integrated approach to managerial problems. The concern for increasing the efficiency of workers to increase production within the least possible time with least possible resources resulted in the origin of the concept of “Scientific Management” which is used to designate a body of theory and practice directed towards more rational and efficient performance in industry. While it was used originally with reference to direct efforts to increase the productivity of labour, the application of the term has since been extended to include the basic factors in the process of production as a whole.

Frederick Winslow Taylor (F. W. Taylor) Was the father of scientific management. He was born in March 20, 1856, Philadelphia, Pennsylvania, U.S. In 1873, at the age of 18 he joined as a consultant of simond Rolling Company and served as apprentice for four years. In 1878, he went to work at the Midvale Steel Company, Philadelphia, U.S.A. as a shop clerk and then become the position of chief engineer with in six years of that very organization. While he working at Midvale Steel, he introduced piece work in the factory. His goal was to find the most efficient way to perform specific task. He would closely watch how work was being done and then measure the output. In 1898, Taylor joined Bethlehem steel, where he developed high speed steel with his colleagues for which he received a gold medal at a paris exhibition. F.W Taylor wrote two most important books which was an outstanding contribution , that is “ shop management” and “principles of scientific management” which were published in 1903 and 1911 respectively.

5.4 CONCEPT OF SCIENTIFIC MANAGEMENT

In order to find ways to raise industrial productivity, many experiments were conducted and suggestions were made by many management thinkers. The development of Scientific Management is one such effort emerged from such experiments. The prominent economists such as Henry R. Towne and Henry Metcalfe expressed their concern over the emerging problems of management. Towne wrote a paper entitled ‘The Engineer as an Economist’ and presented it in 1886 before the American society of mechanical engineers. Perhaps this paper inspired Fredrick Taylor, who joined the society in the same year, to devote his attention to the field of Scientific Management. It is

interesting to note that the term 'Scientific Management' was first coined by Louis Brandies at a meeting of Engineers held in 1910. Later it was developed by F.W. Taylor into a full-fledged theory. Taylor began a series of experiments which lasted for more than two decades. He experimented with machine tools, speed metals and the like. In fact, one line of his experiments led to the discovery of high speed steel, which made him well known. Other experiments pertained to the way men handled materials, machines and tools (motion and time study), which led him to the development of a coordinated system of shop management. He later expanded his concepts to a philosophy which ultimately had a major impact on the development of management thought. It is due to these pioneering contributions that Taylor has been acknowledged as the 'Father of Scientific Management'.

5.5 OBJECTIVES OF SCIENTIFIC MANAGEMENT

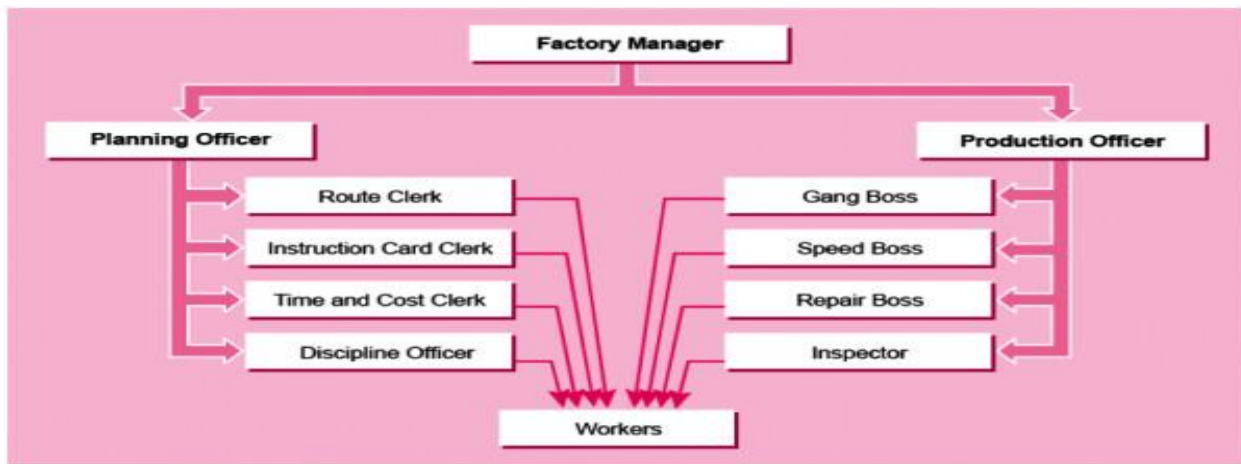
There were five original objectives of the Scientific Management. They were:

- a) Industrial processes can be reduced to units for scientific observation and experiments. The operations of workmen can be reduced to fundamental motions to ascertain in longest, shortest and average time required for each motion.
- b) The standard time prescribed for each operation can be used as the task for each workman to achieve. Each unit of product can be produced at a designated standard of efficiency and at a standard cost.
- c) The workmen can be instructed in the best methods for achieving the standards and the responsibility for imparting such instructions should be in the hands of foremen or supervisors.
- d) The workmen can be relieved of the responsibility for determining how a process is to be performed and thereby enable them to concentrate on the development of their mental dexterities.
- e) The workmen can be inspired to accept new methods and to acquire dexterity in carrying out the specification to achieve performance standards.

5.6 TECHNIQUES OF SCIENTIFIC MANAGEMENT

Functional Foremanship: Functional foremanship is the extension of the principle of specialization. In this technique, Taylor suggested separation of planning and execution functions. According to him, foreman should be intelligent, educated, tactful, and should possess special knowledge, manual dexterity, energy and good health.

Since it is very difficult to find all these qualities in a single person, so he suggested that under factory manager there should be planning in-charge and production in-charge. Under Planning In-charge, he placed four personnel namely:



- Route clerk: To decide the sequence of step to work of production.
- Instruction card clerk: The instructor gives general instructions to workers regarding their work.
- Time and cost clerk: To arrange the time for starting and completions of work and prepare costs sheet.
- Disciplinarian: Expert is responsible to maintain discipline in the production facility and in the factory.

while under Production In-charge, he placed four personnel namely:

- Gang boss: To ensure all the machines and tools are in place and ready for workers.
- Speed boss: To ensure that the task is completed in the stipulated time.
- Repairs boss: To make sure that machines and tools are in the proper working condition.
- Inspector: To check that the quality of work is up to the mark.

Taylor believed that in this functional type of organization, the foreman can be trained quickly and specialization becomes very easy.

Scientific Task and Rate Setting: Through scientific investigation the task of every worker has to be determined considering an ideal environment prevailing in the firm. The standard task is the amount of work which an average worker functioning in congenial atmosphere of co-operation and mutual trust is a very important condition to set and to expect the desired results. Taylor called it “A proper day’s work” .

Work Study: It is a generic term that includes techniques of method study and work measurement leading to efficiency with the ultimate object of an all-round improvement. Work study is carried on to examine human work keeping in view motion, time and fatigue all those factors affecting a human

being in performing a job. So, work study is comprehensive inclusive of method, motion, time, fatigue and rate setting.

Time Study: Systematic study of time required to do a particular job by an average efficient worker has to be fixed before a standard work is allotted to him. Time study is primarily to determine the standard time taken by a workman. It is the art of observing and recording the best way of doing a piece of work. According to Taylor, it is not possible to assign a worker just the volume of work he should do-the optimum that can be expected of him.

Motion Study: It is study of the movement of an employee for eliminating unnecessary motions. This study carried on scientifically ensures most effective and most economical method of doing a job. The purpose of such study is to ascertain the best method of performance with the least wastage of time. This process of motion study analysis in the correct methods for an existing job as a result increase productivity and save time. **Method Study:** It is finding out the best way of doing the things. It minimize the cost of production and maximize the product quality and satisfaction of customer. It determine the ways and means of simplifying design of the product, the improvement in material handling, transportation, storage etc. are all included in method study.

Fatigue Study: A worker, it must be admitted, gets tired at a certain point of time and if he is compelled to continue with his work, he suffers, the work itself suffers. So, scientifically it has to be determine the amount of frequency of rest intervals required to the worker in completing a task. He should be dissuaded to work further for the benefit of the organization as well as of the worker. Energy recoupment is a necessity social needs are there. It is ultimately economical for the firm since it enhances efficiency.

Task Planning: It is a forward-looking task involving steps to remove the causes that may stand in the way of proper implementation and smooth functioning of the scheme and the organisation. Preparation of detailed instructions for the workers, according to Taylor, is a must; workers should not be allowed to follow their own way of doing work that may lead to inefficient production.

Selection and Training: It cannot be over-emphasized that proper- selection of personnel and their proper training are essential to ensure a better performance of the firm. Scientifically selected persons, properly trained and placed in the right position can ensure to a great extent a better accomplishment of the objectives of the firm.

Standardization: Work-standardization is a primary task in Scientific Management. Scientific study is carried on and then right from recruitment of staff to their placement and performance of work are

all standardised. This study is done with a view to securing better quality, more quantity and output, economy in the use of materials and overheads.

Specialisation: Under Scientific Management, planning & doing in the organisation of the plant are separated. Functional foremanship is the concept of eight functional foremen,—contemplated by Dr. Taylor. Taylor compares this system to a large school where children are successfully taken in hand by one teacher after another, who is trained in his particular subject.

Mental Revolution: A perfect co-operation between management and the managed is a pre-requisite for a successful organisation. The organisation cannot expect to achieve the desired results unless the management and the workers go through mental revolution to accept the principles of Scientific Management. Taylor suggested mental revolution in the outlook of employers and employees. In brief, the success of scientific management rests primarily on a fundamental change in the attitude of management and workers both as to their duty to co-operate in producing the largest possible surplus and as to the necessity for substituting exact scientific knowledge for opinions or the old rule of thumb or individual knowledge.

Management of Exception: In Scientific Management, it is contemplated that routine matters should be left to the middle and lower management level personnel and the top management should concentrate on significant deviations from the normal exception.

5.7 PRINCIPLES OF SCIENTIFIC MANAGEMENT BY TAYLOR:

Science, not the Rule of Thumb: Scientific management suggest doing the work systematically, determining the work clearly and sequentially. This rule focuses on increasing the efficiency of an organisation through scientific analysis of work and not with the ‘Rule of Thumb’ method. He suggest This decision should be based on scientific analysis and cause and effect relationships rather than ‘Rule of Thumb’ where the decision is taken according to the manager’s personal judgment.

Scientific Selection and Training of Workers: He suggested the procedure for selection of workers should be designed scientifically. He also suggested the scientific selection of employees based on job analysis and using various selection tests. The errors committed at the time of selection may be very costly on later period. If we do not have right workers on the right job, the efficiency of the organisation will be reduced.

Taylor believed providing training and development facilities to all the employees based on training needs. Management is responsible for the scientific education and training of workers. This process helps the organization to develop the employees potentialities and facilitates for organizational success.

Harmony, Not Discord : Taylor indicated and believed that the relationship between the workers and management should be cordial and completely harmonious. Management and workers should acknowledge and understand each other's importance. This requires change of mental attitudes of the workers and the management towards each other. Taylor called it mental revolution. Taylor also suggested the mental revolution for both management and workers to achieve total harmony. He suggest group harmony which can be achieved through satisfying the needs of group members, eliminating the dissatisfaction and frustration of group members, maintaining healthy interpersonal relations among the group members and involving them in various group activities.

Cooperation, not Individualism: Scientific management is based on cooperation between management and workers, as also between workers themselves. Management can earn higher profits if the workers perform their jobs efficiently and thus ensure better quality, lower costs and larger sales. Workers on their part can earn higher wages if the management provides them with standard materials, standard tools, standardised working conditions, training in standard methods, etc. Therefore management should understand the workers need and take steps to satisfy them and workers should understand the organizational requirements for maximizing their contribution.

Differential Payment: The basic principles of this system is to penalize a slow worker by paying him a low piece rate for low level of production and to reward an efficient worker by giving him a higher piece rate for a higher production. According to Taylor inefficient worker should have no place in the organization and he should leave the organization by giving him a low piece rate for low production. Differential piece rate system are introduced in order to motivate the employees to produce more than the standard level and enhance productivity.

5.8 CRITICISMS OF THE SCIENTIFIC MANAGEMENT MOVEMENT:

For many years, scientific management has been a matter of great debate. Many management thinkers have commented from various diverse perspectives. It has been supposedly said that the movement was largely concerned with organizational capability that was observed in purely mechanistic view point. Labours opposition to Taylorism led to an investigation by Robert Hoxie on behalf of the United States Commission of Industrial Relations. Hoxie stated that the basic ideals of scientific management and trade unionism were mismatched. Scientific management limited itself mainly with the construction, competence and decision-making problems, without even touching on the psychological and emotional problems of workers such as the routine and monotony of their work, uncertainty of employment. Sam Lewisohn and Oliver Sheldon, both management thinkers also commented certain aspects of Taylor's work. Sheldon stressed the human aspects of managerial problems, whereas Lewisohn emphasized the maintenance of good human relations in an organization. The worker, according to Lewisohn wanted justice, status and

opportunity above everything else, and hence simply a rise in wages will not automatically lead to enhanced efficiency. M.P. Follett, a well-known administrative thinker stressed out the need to bridge the gap between the mechanistic approach of Taylor and the approach emphasizing human relations in organizations. The general accusation that Taylor had abandoned the human factor in administration led to a series of psychological and sociological studies with special reference to this factor. The Hawthorne experiment (1927-32) and post-World War II researches in group dynamics and human relations in industry helped in establishing to a great extent that psychological and emotional factors were no less important than economic factors in explaining workers behaviour and determining organizational output and efficiency. There are studies, however, which counter some of these criticisms. For example, it is significant to note that Taylor himself recognized the potential for abuse of his methods. This is clear when he said that "it may be used more or less as a club to drive workmen into doing a larger day's work for approximately the same pay that they received in the past." Some argue that the current literature presents a partial view of Taylor's work. But in fact Taylor anticipated several key motivational strategies generally associated with human relations movement. He created a sense of mission, increased two way communication, understood that higher needs are also important as against economic man approach, used esteem as a motivator and gave workers a chance at self-actualisation, etc. It is also argued that Taylor's writings show that he used managers to realise that technical success requires enhanced human relations and to get an accurate sense of Taylor's message one has to read his own account.

5.9 SUMMARY

- The term 'Scientific Management' was coined for the first time by Louis Brandies in 1910, and later used by Taylor and others. Henry Lawrence Grant, Harrington Emerson, Frank Bunker Gilbreth, Lillian Moller Gilbreth, Carl G. Barth, Sanford E. Thompson, Morris L. Cooke and Horace K. Hathaway also contributed to the movement of scientific management.
- Scientific management refers to submission of science to management put into practice. It engages use of logical methods in decision-making for resolving management problems rather than depending on rule of thumb or trial and error methods for the purpose. Basically, scientific management consists of scrutiny and psychoanalysis of each task, strength of mind of the standard of work, choice and training of men to carry out their jobs, and make sure that work is done in the most well-organized method.
- Taylor doubted the efficacy of the 'linear' system or the military type of organization in which each worker is subordinate to only one boss. He replaced this system with what is called functional foremanship in which the worker receives orders from eight narrowly specialized

supervisors.

- According to Taylor, the essence of scientific management is **Mental Revolution**. It involves a complete mental revolution in the attitudes of workers toward their work, their fellowmen and their supervisors. It also involves a complete mental revolution in the attitudes of managers toward their fellowmen, workers and the ways in which they handle their daily problems. Taylor held that ‘without this complete mental revolution on both sides, scientific management does not exist.’

5.10 KEY TERMS

- **Factors of production:** The inputs used in the production of the goods and services
- **Economic planning:** The long term plans of an incumbent government to coordinate and develop an economy
- **Acharya:** A term used to refer to a spiritually enlightened teacher
- **Gotra:** A term used to refer to the origin of a family tree. It implies clan lineage and is of significance while arranging Hindu marriages where marriage between two people belonging to the same gotra is prohibited.

5.11 SELF ASSESSMENT QUESTIONS

1. Taylor attempts to analyse the workflows of the workers in a factory. The objective of Taylor is to improve efficiency of the economy as well as of labour productivity. It is one of the attempts to apply for science as well as to the study of management.
2. In reference to the workers, Taylor came across a tendency on their part to avoid work and restrict production which was termed as soldiering
3. What are the two different types of soldiering?
4. With the help of an example define gang plank?
5. List the disadvantages of decentralization

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UNIT-6: IDEAL-TYPE BUREAUCRACY: MAX WEBER

Structure

- 6.1 Unit Objectives
- 6.2 Introduction
- 6.3 Life and Works
- 6.4 Meaning of Bureaucracy
- 6.5 Features of Bureaucracy Organization
- 6.6 Max Weber Bureaucracy Theory
- 6.7 Kinds of Authority and Legitimacy
- 6.8 Criticisms of Weberian Model of Bureaucracy
- 6.9 Summary
- 6.10 Key Terms
- 6.11 Questions And Exercises
- 6.12 Further Reading

6.1 OBJECTIVES

After going through this unit, you will be able to know:

- Understand the clear concept of Weber's idea on Bureaucracy
- Evaluate the Bureaucratic Model as developed by Max Weber

6.2 INTRODUCTION

The bureaucratic model was identified and developed by Max Weber. It contributed immensely to the development of organizations. It is often used to refer to characteristics which are generic to formal organizations. He also suggested that bureaucracy is an inevitable consequence of increasing size and complexity of organizations.

Administrative organization, of which bureaucracy is a part, is not just a twentieth century phenomenon. It existed in elaborate forms even thousands of years ago in Egypt and Rome, and, in rather sophisticated forms, in China and India in ancient times. In contemporary society, the institution has assumed a special dimension. For some writers it is this institution that epitomizes modern era.

6.3 LIFE AND WORKS

Max Weber was a versatile scholar who contributed to many fields of humanity studies viz. Economics, History, Political Science, Sociology, Public Administration, Law, Religion and Culture Studies. He was a key proponent of methodological anti-positivism, arguing for the study of social action through verstehen method, i.e. interpretive means based on understanding the purpose and meaning that individuals attach to their own actions. So far as Public Administration is concerned, his seminal contribution is found in his studies of bureaucracy and leadership. His analysis of formal organization and of bureaucratic model are considered important because of his insight into the nature of bureaucracy as a rational- legal model of organizational leadership and of his in-depth analysis of the behavioural characteristics of the bureaucrat as the specimen of politically neutral and professionally efficient agent of the bourgeois state machinery. Historically, he was contemporary with the scientific management movement and was well-conversant with the economic, legal, political and cultural tradition of European society. Weber's bureaucratic model has been the subject of both intense admiration as well as sharp criticism. Similarly, Weber's theories of legitimacy and domination have formed the basis of a number of further studies.

Maximilian Karl Emil Weber (Max Weber) was born in Erfurt, Prussia (present-day Germany) he was a **German sociologist; described a theory to operate an organization in an effective way which is known as the bureaucracy management approach or Weberian bureaucracy.** Weber's father was a reputed lawyer and greatly involved in public life, so his home was constantly immersed in both politics and academic circles. In 1882, he enrolled at the University of Heidelberg, but after two years left to fulfill his year of military service at Strassburg. After his release from the military, Weber finished his studies at the University of Berlin, earning his doctorate in 1889. He studied Law, Economics, History and Philosophy. He started his career as a professor of Law at the University of Berlin. In later life he served as a professor of economics at the university of Freiberg (1894) and at the university of Heidelberg (1896).

Weber has made an outstanding contribution in the field of Sociology and administration. Some of his major publications and best known works are *The Protestant Ethic and the Spirit of Capitalism* (1904), *The Sociology of Religion* (1922) and *The Theory of Social and Economic Organization* (1925). His works come to public notice and own people's appreciation after the Second World War was over.

6.4 MEANING OF BUREAUCRACY

Max Weber was the first social scientist who made a systematic study of Bureaucracy and its characteristics. One is always reminded of Max Weber whenever there is a discussion on bureaucracy, i.e., 'Weberian Model of Bureaucracy'. The term 'bureaucracy' has been widely used with invidious connotations directed at government and business. Bureaucracy is an administrative

system designed to accomplish large-scale administrative tasks by systematically coordinating the work of many individuals. Weber has observed three types of power in organisations: traditional, charismatic and rational-legal. He has emphasised that bureaucratic type of power is the ideal one. Historically, a bureaucracy was a government administration managed by departments staffed with non-elected officials. Today, bureaucracy is the administrative system governing any large institution, whether publicly owned or privately owned. The public administration in many jurisdictions and sub-jurisdictions exemplifies bureaucracy, but so does any centralized hierarchical structure of an institution, e.g. hospitals, academic entities, business firms, professional societies, social clubs, etc.

6.5 FEATURES OF BUREAUCRACY ORGANIZATION

He found different characteristics in bureaucracies that would effectively conduct decision making, controlling resources, protecting workers and accomplishment of organizational goals.

Bureaucratic management approach developed by Max Weber is may not suitable for business organizations but may be suitable for government organizations. From the principles of bureaucratic organization, it can find these characteristics or features of Bureaucratic Organization are as follows:

- The high degree of Division of Labor and Specialization.
- There is a well-defined chain of command.
- It follows the principle of Rationality, Objectively and Consistency.
- The relationship among the member of the organization is Formal and Impersonal relations and it's based on positions and not on personalities.
- Rules and Regulations are well defined and it indicates the duties and rights of the employees. These rules apply to everyone from to bottom of the organization and must be strictly followed.
- Selection and Promotion are based on Technical qualifications.
- Only Bureaucratic or legal power is given importance.

6.6 MAX WEBER BUREAUCRACY THEORY

The bureaucratic management theory, introduced by Max Weber stated that to manage an organization efficiently, it is essential to have a clear line of authority along with proper rules, procedures and regulations for controlling each business operation. Bureaucracy refers to the possessing of control over a group of people or activities through knowledge, power or authority.

After closely observe the above-mentioned features of bureaucracy it can identify certain important factor of Weberian model of bureaucracy. They are as follows:

Weber gave the following six principles for managing an organization effectively and efficiently:

Hierarchy: Weber proposed that there should be a systematic hierarchy in the organization, defining the position of each employee from top to the lowest level. In such a system, each employee knows who they have to report, whose orders they need to follow, and what is the role of different personnel in the organization. . Hierarchy allows for employees to understand and follow the chain of command from top to bottom.

Division of labor : Each employee has a specific task and target hence enhancing productivity, promotes efficiency by dividing separate tasks and responsibilities. The whole work should be assorted into smaller task sets to ascertain that every set of tasks is assigned to the right person, i.e., the one who has the capability of fulfilling it. This not only improves the work efficiency but also ensures proper allocation of job responsibilities.

Formal Rules Regulations and Procedures : There should be a clear set of principles, procedures, rules and regulations in written form, to be followed universally by everyone working in the organization irrespective of their position. Procedures are important to any organization and its processes. Procedures can be in form of policies and together provide direction for daily operations. Procedures enhance good conduct in an organization, regulate employee performance, provide for terms of service and improve decision making, while boosting internal processes.

Impersonal Relationships: In an organization, the impersonal relations develop among the employees, which may lead to favoritism or nepotism. Weber said that the application of rules and managerial decisions should be impartial and independent of such relations. Moreover, these decisions must be based on rational and practical grounds rather than favoritism or prejudices.

Formal Selection Process: Weber believed that the workers should be recruited through their technical skills and expertise instead of ‘first come first selected’ basis. Even the promotion should be based on performance and merit. This not only leads to better productivity but also adds to employee’s growth and satisfaction than emotional or impersonal influence.

Career Orientation: According to Weber management should motivate employees to build a long-term career in the organization by providing job security and performance based incentives to them. As a result, protect employees from arbitrary dismissal, which should achieve in a high level of loyalty.

6.7 KINDS OF AUTHORITY AND LEGITIMACY

Legitimacy is the right and acceptance of an authority, usually a governing law or a regime.

Whereas authority denotes a specific position in an established government. Legitimacy is a key

element in understanding why people obey their government and other authorities. Weber believed that there could be only three kinds of legitimate authority, namely **Traditional**, **Charismatic** and **Legal-Rational** power in the organization:

- **Traditional Authority:** Traditional authority is legitimated by the sanctity of tradition. The ability and right to rule is passed down, often through heredity. It does not change overtime, does not facilitate social change, tends to be irrational and inconsistent, and perpetuates the status quo.
- **Charismatic Authority:** Under charismatic power, is found in a leader whose mission and vision inspire others. It is based upon the perceived extraordinary characteristics of an individual. Due to the extraordinary personality of the managers, the workers are deeply motivated to perform their best on the task allotted to them.
- **Legal-Rational Authority :** In legal-rational power, is empowered by a formalistic belief in the content of the law (legal) or natural law (rationality). the workers either need to abide by the legal rules or the naturally applicable laws. In short, all the employee need to follow a consistent set of principles.

6.8 CRITICISMS OF WEBERIAN MODEL OF BUREAUCRACY

Weberian Model of bureaucracy has been extensively criticized by numerous scholars, academicians and practitioners of public administration mainly on the grounds that the characteristics of bureaucracy. Robert Merton and other sociologists have questioned the rationality of the legal-rational model of Weber as it produces certain dysfunctional consequences. To Merton, the structures - especially its hierarchy and rules, which is rational in Weber's sense, can easily generate consequences which are unexpected and detrimental to the attainment of objectives of an organisation. In stressing this point Merton is only providing a more sophisticated vindication of the view that bureaucracy means inefficiency. Philip Selznick, pointing to the division of functions in an organisation, shows how sub-units set up goals of their own which may conflict with the purpose of the organisation as a whole. Merton and Selznick have shown that the formal specification of organisational structure outlined by Weber is insufficient as a description of how bureaucrats will in fact behave, because the officials have their own characteristics as social beings beyond those which the administrative code specifies. These criticisms reflect the major insights on the behavioural side of the industrial sociology.

Talcott Parsons, who translated Weber's famous book *Wirtschaft and Gesellschaft*, questions the internal consistency of Weber's ideal type of bureaucracy. Parsons draws attention to the fact that Weber expects the administrative staff to be technically superior as well as possess the right to give

orders. But this itself gives rise to conflicts within bureaucracy since it is not always possible to ensure that high position in the hierarchy of authority will be matched by equivalent professional skill. In such case the individuals working in an organisation will face the problem of whom to obey, the person with the right to command or the man with the greater expertise. Using Parson's criticism as starting point, Alvin Gouldner distinguishes two major types of bureaucracy. Firstly, punishment-centered bureaucracies, where members of the organisation conform reluctantly to rules which they consider are imposed on them by an alien group. Secondly, representative bureaucracy, where the members regard rules as necessary on technical grounds and in their own interest. Gouldner and others have raised the problems of compliance with rules by the members of an organisation not so much because of the informal processes arising within an administrative structure but to conditions outside the organisation which orient the behaviour of the members vis-à-vis the rules. The critics feel that the Weberian model does not include the orientation of members in relation to the rules in an organisation. A number of other writers also emphasised on the significant influence of environmental factors on the behaviour of organisations and pointed to these shortcomings in Weberian model. Rudolf complained that Weber's model carries a misconception that administration was a rational machine and officials were meretechnical functionaries. Reinhard Bendix, one of the famous intellectual biographers of Weber, argues against the belief that it is possible to adhere to a rule without intrusion of general social and political values. All rules have to be applied to particular cases and it is here that the attitude of the officials plays a dominant role in making decisions. A number of critics like Peter Blau believed that Weberian model of Bureaucracy cannot be applied to administration of different places and times. Blau felt that a fresh look has to be taken at the concept of rational administration. In a changing environment "the attainment of organisational objectives depends on perpetual change in the bureaucratic structure." That is why efficiency cannot be guaranteed by tethering the official to a set of rigid rules. According to Blau, the efficient administration is possible only when an individual is allowed to identify with the purpose of the organisation and to adopt his behaviour to his perception of changing circumstances. Robert Presthus considers that Weber's concept of bureaucracy makes implicit assumptions about human motivations, which are not necessarily valid in non-western environments. William Delaney considers that patrimonial bureaucracy may well be more conducive to economic growth in underdeveloped societies than rational bureaucracy of the Weberian type. Joseph La Palombara believes that developing societies may find Russian or Chinese methods of administration more effective than western bureaucracy.

Simon and March included Weber in the company of classical thinkers like Gulick and Urwick as he too did not pay any attention to the human behaviour in organisations. Weberian ideal type would not attain maximum efficiency as it emphasises more on the structure of the bureaucracy than on the

human beings who personify it. Philip Selznick and others criticised Weber for his neglect of the power that a bureaucrat assumes whereby he is 'increasingly preoccupied with his own social position and in the end subverts the professed goals of the organisation only on his own power position'. No impersonal order can stop bureaucrats becoming power mongers and may even encourage clandestine motives in them. In a democratic setting it is also very difficult to a bureaucrat to be neutral and impersonal in the face of hectic political activity around him.

Rigid adherence to the principle of hierarchy was also criticised; it does not contribute to repose of mutual-trust, either in the inter-organisational or inter-personal relation in the administration. This only embodies 'mutual suspicion' as its prime tenet in the relationship patterns of organisation and their staff. These apart, there are some dangers inherent in this principle, which are disastrous to the modern administration. The first danger is authoritarianism of the superiors, which is detrimental to the organisational necessity to work with a team spirit. This is a division tool, which will impede the forming of bureaucracy into a cohesive team.

6.9 SUMMARY

Weber enunciated some immutable characteristics of legal-rational bureaucracy popularly known as the Weberian Model of Bureaucracy. These characteristics were hierarchy, merit selection, specialization, impersonality, etc. He vehemently asserted that any organization, possessing these characteristics can perform its functions most rationally and would achieve maximum efficiency and effectiveness. He characterized his model of bureaucracy as an idea type

6.10 KEY TERMS

- **Bureaucracy:** A system of government in which most of the important decisions are taken by state officials rather than by elected representatives.
- **Participatory management:** The practice of empowering employees to participate in organizational decision making.

6.11 QUESTIONS AND EXERCISES

1. On what basis did Weber's analysis of power differ from the analysis made by Marx?
2. What do you understand by the concept of paternalism?
3. How can conflict be resolved in the work place?
4. How does Weber define domination

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UNIT-7: ADMINISTRATIVE MANAGEMENT: GULLICK AND URWICK

Structure

- 7.1 Objective
- 7.2 Introduction
- 7.3 Life and Works
- 7.4 Structure of Administration
- 7.5 Functions of Executive
- 7.6 Principles of Organization
- 7.7 Summary
- 7.8 Key Terms
- 7.9 Exercises
- 7.10 References

7.1 OBJECTIVES

After going through this unit, you will be able to know:

- Examine Urwick's classical approach to administration
- Integration of Human and Technical Aspects
- Understand the Executive Functions?
- Know what are the Principles of Organizations
- Understanding the Concept of Departmentalization Theory.

7.2 INTRODUCTION

With the coming of the industrial revolution in the 19th century, many attempts were made to develop the principles of organisation to meet the requirements of the emerging industry. Among such attempts mention should be made of the works of F. W. Taylor, an American engineer and Henry Fayol, a French manager, who developed what today is known as the classical organisation or management theory. Many others contributed to the conceptualisation of the theory. They developed theories of keeping organisational efficiency and increased productivity as their goal. Subsequently, American and British theorists synthesised the organisational or management theories as applicable to public organisations. Among such writers Gulick and Urwick merit

prominently. Their edited volume *The Papers on the Science of Administration* (1937) is considered to be an important landmark in the development of the science of administration. They synthesised and integrated the ideas, writings and research of earlier theorists on organisations, structures and executive functions.

Lyndall Fownes Urwick (1891–1983) was a British management consultant and theorist who played a prominent role in the development of management thought during the early to mid-20th century. He made significant contributions to organizational theory and management practice. Here's an introduction to Lyndall Urwick and an overview of his objectives in the field of management:

Lyndall Urwick was born on March 3, 1891, in England. He had a diverse career that included military service during World War I and various roles in management consulting, academia, and government service. Urwick's work was influenced by his experiences and a desire to apply systematic principles to improve organizational efficiency and effectiveness.

7.3 LIFE AND WORKS

Luther Halsey Gulick III (1892-1993), an acknowledged founder of administrative thought, a pioneer and a legend, was born in Yumamoto, Japan where he spent his initial twelve years before returning to the USA. He graduated from Oberlin in 1914 majoring in political science with high honours and obtained Ph.D in 1920 from Columbia

University. He secured Litt.D in 1939 and was conferred LL.D. in 1954. He was Director, Institute of Public Administration from 1921 to 1961 and later chairman of the Board of Trustees of the Institute for another 21 years. Gulick served on the National Defence Council during the First World War, was Administrator of New York City

(1954-56) and was Eaton Professor of Municipal Science and Administration at Columbia University (1931-1942). He undertook several consultancy assignments on administration in the US Administration and several other countries including one at Calcutta, India concerning water supply under the aegis of World Bank. He was a member of the President's Committee on Administrative Management in 1936. He authored more than 20 books and research studies, over 160 articles and 250 unpublished papers, studies, reports, etc. Notable among his publications include *Administrative Reflections from World War II*, *Metropolitan Problems and American Ideas*,

Modern Management for the City of New York and *The Papers on the Science of Administration*. He promoted the establishment of notable institutions like the Brookings Institution, International City Managers Association, American Society for Public Administration, etc. He was president of both the American Political Science Association and the American Society of Public Administration; a distinction he shared with LD White.

Lyndall Fownes Urwick (1891-1983), an avid advocate of scientific management, an outstanding management consultant, thinker and prolific writer, was born in Malvern, Worcestershire, UK. After graduation from New College, Oxford in 1913, he joined the family business and during the First World War, he joined the army rising to the rank of Major. In 1922, he joined Rountree at York and later worked as Director of the International Institute of Management (1928-33). During 1934-61 he was associated with Urwick, Orr and Partners Limited in the capacities of president, managing director, and chairman. During the Second World War (1940-42), he worked as an advisor to the Treasury. He chaired the Urwick Committee appointed by the Ministry of Education to investigate what educational facilities are required to ensure adequate training facilities for its managers. He was actively involved in spreading management education, he undertook several consultancies across the globe including the USA and India. He was a key figure in the establishment of the Administrative Staff College at Henley-on-Thames (now called Henley Management College). He was the recipient of several international awards and gold medals including the Taylor Key, and Gantt Memorial Medal (1959) and in 1958 was elected as a Fellow of the International Academy of Management. He published several books including *Management of Tomorrow*; *The Making of Scientific Management* (3 Vols.); *The Elements of Administration*; *The Patterns of Management and Leadership in the XXth Century Organisations*, *Dynamic Administration*, *Freedom and Coordination*. He, along with Gulick, edited *The Papers on the Science of Administration* and founded the *Administrative Science Quarterly*.

Gulick and Urwick had rich experience in working the civil service, military and industrial organisations. It is because of this, that one finds continued references to discipline and efficiency in their writings. They even borrowed concepts like line and staff from the military organisation. They were influenced by the machine model of man developed by Taylor. The studies in industrial management conducted by Henry Fayol also influenced their thinking.⁴ Deriving inspiration mainly from their works, the two thinkers synthesised the classical theory of organisation, which is also known as the Administrative Management theory. They believed that it is possible to develop a science of administration based on principles. They pointed out the fact that even an engineer at one time, was considered to be a craftsman who developed his skills at the bench only. It was only, through empirical observations, analyses and systematized findings committed to recording and documentation over a considerable period, a science of engineering became possible. In the same way, if the experiences of administrators are processed it could be possible to develop a science of administration. Administration hitherto remained an art and there is no reason why it cannot be developed into a science; they believed.

7.4 STRUCTURE OF ADMINISTRATION

One notable feature in the writings of these thinkers is the importance they attached to the structure of administration while almost neglecting the role of men in the organisation. Urwick remarks that ‘humanity can't advance its knowledge of organisation unless the factor on the structure is isolated from other considerations, however artificial such isolation may appear’. He traces a large proportion of friction and confusion in society, with its major consequences, to the faulty structural arrangements in organisations. He defined organisation as determining activities that are necessary for a purpose

(or plan) and arranging them in groups, which may be assigned to individuals. Thus while the identification of the tasks and their grouping is given top priority, the individuals to whom the functions are entrusted come later.

Urwick is aware of the fact that, to begin with, one may not have a clean slate but he suggests that one may assume to have a clean slate and design an ideal structure of organisation. Any alterations, if required, may be made later. While conceiving an organisation chiefly as a designing process, Urwick felt that lack

of design is illogical, cruel, wasteful and inefficient. Illogical because it is inconceivable to appoint a person and pay him wages without an idea of the position he is likely to occupy. Cruel when an organisational member does not know the qualifications required for the job and the duties assigned to him in the job situation. Wasteful because if jobs are not arranged properly, functional specialisation is not possible and training people to occupy jobs falling vacant due to death or retirement becomes difficult. Inefficient because the supervisors have nothing to fall back except on personalities in the event of conflict and confusion.

7.5 FUNCTIONS OF EXECUTIVE:

Gulick condensed the duties of an administrator into a famous acronym POSDCORB incorporating the first letter of the functions identified. Each letter in the acronym represents one important function of the manager . They are as follows:

- (a) **Planning:** It is required To fulfill the task of organisation. Planning is the first and most important step in POSDCORB as it sets the overall structure of the process with activities and timelines.
- (b) **Organizing:** There is an establishment of formal structure wherein work is divided and coordinated for the desired objective. Organizing involves right thing in the right place, everything in a proper place and place for everything. It formally classifying, defining and synchronizing the various subdivisions of work to be done.
- (c) **Staffing:** This involves recruiting and selecting the right candidates for the job and facilitating their orientation and training while maintaining a favorable work environment and to do the work in a professional manner.
- (d) **Directing:** It means giving directions or order to employee to do their work in a systematic manner. This entails decision making and delegating structured instructions and orders to execute them.
- (e) **Co-ordinating:** Interrelating of the various kinds of work. It relates not only to the evidence and conflicts and duplication in organizations but also to secure cooperation and teamwork between the various units and employees.

- (f) **Reporting:** It involves regularly updating the superior about the progress or the work related activities. It symbolizes upward flow of information to the executives. Keeping employer updated of the work done by employee in the organisation through regular reports and research.
- (g) **Budgeting:** Budgeting involves Maintenance of funds under Auditing, Accounting, financial Planning and Control.

7.6 PRINCIPLES OF ORGANIZATION:

Urwick identified eight principles of administration applicable to all organization. The principles are as follows:

1. **The "principle of Objective"**-that all organisation should be an expression of a purpose;
2. **The "Principles of correspondence"** – authority and responsibility must be co-equal.
3. **The "principles of responsibility"** – responsibility of superiors for the work of subordinates is absolute.
4. **The "principles of Scalar chain"** – a pyramidal type of structure is built up in an organisation;
5. **The "principles of span of control"** – a superior cannot supervise directly the work of more than five or six subordinates whose works interlock.
6. **The "principles of specialization"** - limiting one's work to a single function;
7. **The "principles of coordination"** – to work together smoothly , efficiently and effectively.
8. **The "principles of definition"** – a clear instruction of every duty.

Similarly Gulick expounded ten principles of organisation'.

1. **Principle of the Objective:** For any organisation to function there has to be an objective that needs to be fulfilled.
2. **The Principle of Specialisation:** There is one group that specialises in performance of specific function.
3. **The Principle of Coordination:** This principle is important for ensuring coordination in organisation.
4. **The Principle of Authority:** In every organisation, various groups have to follow authority and command of the organisation.
5. **The Principle of Responsibility:** Since superior claims authority in an organisation therefore he become responsible for acts of his subordinates.
6. **The Principle of Definition:** In an organisation, it is imperative that the nature of jobs and dut

7.7 SUMMARY

The contribution of Gulick and Urwick to the administrative theory is:

- Luther Gulick, an acknowledged founder of administrative thought, and Lyndall Urwick, an outstanding management consultant with rich experiences in civil and military administration made significant contributions to the synthesis of classical administration. As finance is indispensable for any administration, the executive has to pay adequate attention to budgeting, financial procedures, accounting, etc.
- The Papers on the Science of Administration, edited by them, is considered a landmark in the development of the science of administration. In their view, the process of development of engineering science, which is based on empirical observations and analysis, is equally applicable to the development of the science of administration;
- Gulick and Urwick emphasised the importance of structure in the administration. They considered structure as a designing process and devoted their attention to the discovery of principles based on which the structure may be designed. They considered principles as a framework of thought and arrangement of ideas to help in the development of the science of administration;
- Gulick discussed in detail the executive functions and coined POSDCORB by incorporating the first letters of all the functions of the executive. The acronym, though not comprehensive, helps in understanding and analysing the functions of the executive;
- Gulick considered a division of work as the basis of organisation. His theory of departmentalisation addresses the basis of division of work for the creation of departments.
- The four bases of departmentalisation viz, purpose, process, persons and place, popularly known as the “4Ps”, are extensively used in the creation of departments/units in organisations. Gulick and Urwick in their writings discussed in detail the application of many other principles like single executive, staff principle, delegation, span of control, etc.
- Gulick, in his later writings, focused on human factors in administration. Based on over fifty years of analysis, Gulick observes: “after all governments are constituted of human beings, are run by human beings and have as their main job, helping, contributing and serving human beings”. He considered the human being as the dynamic factor intrinsic to the study of administration;
- Gulick also emphasised time as a crucial factor in organisations. He identified five aspects of time, viz., time as an input, time as an output, time as the flow of events and time as a gap between two or more significant events or processes and finally timing as a management policy. He considers the time factor critical in Public Administration;
- The principles of organisation of Gulick and Urwick were criticised for their contradictions and inadequacy to answer practical organisational questions and also for their neglect of the role of the human element in organizational processes. In his later writings, Gulick emphasised the role of human beings in organisations; and

- There cannot be any serious study of the science of administration without reference to the principles of organisation. Understanding and theorising the dynamic nature of the application of these principles in different administrative situations is the major challenge of administrative studies today.

7.8 KEY TERMS

- **Zone of indifference:** The range in which attempts to influence a person will be perceived as legitimate and will be acted on without a great deal of thought.
- **Autocratic leadership:** A leader, who dictates policies and procedures, decides what goals are to be achieved, and directs and controls all activities without any meaningful participation by the subordinates.
- **Bounded rationality:** The idea in decision-making, rationality of individuals is limited by the information they have, the cognitive limitations of their minds and the finite time they have to make a decision.

7.9 QUESTIONS AND EXERCISES

1. Give a brief description of the Principles of Organisations.
2. Describe the Theory of Departmentalization briefly.
3. Write a short note on Single Executive.

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UNIT-8: ADMINISTRATIVE MANAGEMENT: FAYOL

Structure

- 8.1 Objectives
- 8.2 Introduction
- 8.3 The Background
- 8.4 Life and Works
- 8.5 Types of Organisational Activity
- 8.6 Elements of Administration
- 8.7 Henry Fayol's 14 Principles of Administration
- 8.8 Comparison Between Taylor and Fayol
- 8.9 Summary
- 8.10 Key Terms
- 8.11 Exercises
- 8.12 References

8,1 OBJECTIVES

After going through this unit, you will be able to know:

- Fayol emphasized the importance of a well-defined organizational structure.
- Fayol sought to provide managers with a set of clear and practical guidelines for effective management.
- Describe the principles developed by these writers and its uniqueness in the study of organizations
- Compare and contrast the main ideas of these writers.

8.2 INTRODUCTION

Henri Fayol (1841–1925) was a French mining engineer, industrialist, and management theorist. He is best known for his contributions to the field of management theory, particularly his development of the 14 Principles of Management.

Fayol was born in Istanbul, Turkey, and later became the managing director of a large French mining company called Comambault. His seminal work, "Administration Industrielle et Générale" (Industrial and General Administration), published in 1916, outlined his principles of management, providing a framework for effective organizational management.

Fayol's principles cover various aspects of management, including division of work, authority, discipline, unity of command, unity of direction, and others. His ideas have had a profound and

lasting impact on management education and practice, influencing the development of organizational and managerial theories.

8.3 THE BACKGROUND

Henry Fayol is the main proponent of the administrative management school of classical theory. Administrative management school aims to improve organizational productivity by focusing on methods that managers can use to synchronize internal processes. Fayol believed managerial practices are keys to driving efficiency in organizations. Therefore, this branch seeks to heighten managerial performance instead of individual worker efficiency.

Henri Fayol is regarded as the founder of this managerial approach that stressed on a structure of an organization whose management worked by being guided by universally and scientifically valid principles of management to get the most out of the workers and achieve the organization's objectives. Henry Fayol, also known as the 'father of modern management theory' and he gave a new perception of the concept of management. He introduced a general theory that can be applied to all levels of management and every department.

8.4 LIFE AND WORKS

Henri Fayol (Administrative Management) Fayol was born in a suburb of Istanbul, Turkey in 1841. He studied mining engineering at the 'École Nationale Supérieure des Mines' academy in Saint-Étienne. In 1860, Fayol started his career as an engineer at the French coal mining company on 19 years old. In 1888, he became the managing director of this company. In fact, he spent his entire career in one company the French mining and metallurgical combine Comenry-Fourchambault - Decazeville. Fayol was very successful in this position for over 30 years and retired in 1918. At that time around 1900 mining company was there but this had become one of the largest producers of iron and steel in France. At that time this industry was considered to be vital for France. Fayol was also one of the founders of the principles of modern management. In 1916, he promoted his ideas in '*Administration Industrielle et Générale*', was first published in France and this was translated into English in 1949 under the title General and Industrial Administration. This book contains two parts : the first part is concerned with the theory of administration and the second part with the discussion on training for administration. In this work Fayol presented his theory of management, known as Fayolism.

8.5 TYPES OF ORGANISATIONAL ACTIVITY

Fayol felt that the activities of business could be divided into six categories.

- Technical activities : It relates to Production and manufacturing activities.
- Commercial activities : It relates to Buying, selling, and exchange of product activities.

- Financial activities : It relates to optimum use of capital.
- Security activities : It relates to Protecting mutual interest of employees and employers.
- Accounting activities : It relates to Book keeping (recording) of profits, costs, liabilities, and preparing reports such as balance sheets.
- Managerial activities: It relates to Planning, organizing, directing, coordinating, and controlling.

8.6 ELEMENTS OF ADMINISTRATION

The functions of management is to consider it as a process. As a process, management refers to a series of inter-related functions, that is, planning, organization, command, co-ordination and control.

Planning: Planning means deciding in advance on what, how, and when something is to be done. It involves projecting the future course of action for the business as a whole and also for the different sections within it. Planning is thus, the preparatory step for actions and helps in bridging the gap between the present and the future. In a more concrete sense, the process comprises determination or laying down of objectives, policies, procedures, rules, programmes, budgets, and strategies.

Organizing :Managers must organize the workforce in an efficient manner and structure and align the activities of the organization. Managers must also train and recruit the right people for the job, and always secure a sufficiently skilled and educated workforce. Organizing is the next function of management. Organizing involves breaking a plan into activities, grouping those activities, and allocating resources to them. This is done by structuring the functions and duties to be performed by a group of people for the purpose of attaining the objective of the enterprise.

It is the process of bringing together physical, financial and human resources and developing productive relationship amongst them for achievement of organizational goals.

According to Henry Fayol, “To organize a business is to provide it with everything useful or its functioning i.e. raw material, tools, capital and personnel’s”. To organize a business involves determining & providing human and non-human resources to the organizational structure. Organizing as a process involves:

- Identification of activities.
- Classification of grouping of activities.
- Assignment of duties.
- Delegation of authority and creation of responsibility.
- Coordinating authority and responsibility relationships.

Commanding :Managers must supervise subordinates in their daily work, and inspire them to achieve company goals. Likewise it is the responsibility of managers to communicate company goals

and policies to subordinates. The commanding of subordinates should always be consistent with company policies, and every manager should treat subordinates in line with the standards of the company.

Coordinating :Coordination, as a separate function of management, has been advocated by many authorities including Henri Fayol. However, coordination, being all pervasive and encompassing every function of management, is considered to be more an important managerial essence than a separate management function. Poor coordination is attributed to failure in performance of all the above-listed management functions.

Coordination deals with harmonizing work relations and efforts at all levels for achieving some common purpose. It may be described as unifying and achieving harmony among individual efforts for the purpose of accomplishing group goals. The whole idea of coordination is to adjust, reconcile, and synchronize individual efforts so that group efforts become more effective and help to achieve some common objectives.

Without coordinated efforts on the part of the players, it is difficult for the team to win a match. Coordination is not spontaneous. Differences in approach, understanding, timing, interest, or efforts have to be reconciled with while synchronizing individual efforts. While managing, a manager coordinates the work of his or her subordinates.

Controlling :According to *Theo Haimann*, “Controlling is the process of checking whether or not proper progress is being made towards the objectives and goals and acting if necessary, to correct any deviation”.

Controlling is the measurement & correction of performance activities of subordinates in order to make sure that the enterprise objectives and plans desired to obtain them as being accomplished. Therefore controlling has following steps:

- Establishment of standard performance.
- Measurement of actual performance.
- Comparison of actual performance with the standards and finding out deviation if any.
- Corrective action.

8.7 HENRY FAYOL’S 14 PRINCIPLES OF ADMINISTRATION

Henry Fayol, also known as the ‘father of modern management theory’ gave a new perception of the concept of management. He introduced a general theory that can be applied to all levels of management and every department. The Fayol theory is practised by the managers to organize and

regulate the internal activities of an organization. He concentrated on accomplishing managerial efficiency.

The fourteen principles of management created by Henri Fayol are explained below.

14 management principles are:

1. Division of Work.
2. Authority and Responsibility.
3. Discipline.
4. Unity of Command.
5. Unity of Direction.
6. Subordination of Individual Interests to the General Interest.
7. Remuneration.
8. Centralization.
9. Scalar Chain.
10. Order.
11. Equity.
12. Stability of Tenure of Personnel.
13. Initiative.
14. Esprit De Corps.

1. Division of Work- Henri believed that segregating work in the workforce amongst the worker will enhance the quality of the product. Similarly, he also concluded that the division of work improves the productivity, efficiency, accuracy and speed of the workers. This principle is appropriate for both the managerial as well as a technical work level.

2. Authority and Responsibility- These are the two key aspects of management. Authority facilitates the management to work efficiently, and responsibility makes them responsible for the work done under their guidance or leadership. Authority without responsibility leads to irresponsible behavior whereas responsibility without authority makes the person ineffective.

3. Discipline- Without discipline, nothing can be accomplished. It is the core value for any project or any management. According to Fayol, “Discipline means sincerity, obedience, respect of authority & observance of rules and regulations of the enterprise”. This principle applies that subordinate should respect their superiors and obey their order. It is an important requisite for smooth running of the enterprise.

4. Unity of Command- (Principle of One Boss)- This means an employee should have only one boss and follow his command. If an employee has to follow more than one boss, there begins a conflict of interest and can create confusion. In other words, a sub-ordinate should not receive instructions from more than one person. Therefore, dual sub-ordination should be avoided unless and until it is absolutely essential. So, Unity of command provides the enterprise a disciplined, stable & orderly existence. It creates harmonious relationship between superiors and sub-ordinates.

5. Unity of Direction- Fayol advocates one head one plan which means that there should be one plan for a group of activities having similar objectives. According to this principle, efforts of all the members of the organization should be directed towards common goal. Without unity of direction, unity of action cannot be achieved. In fact, unity of command is not possible without unity of direction.

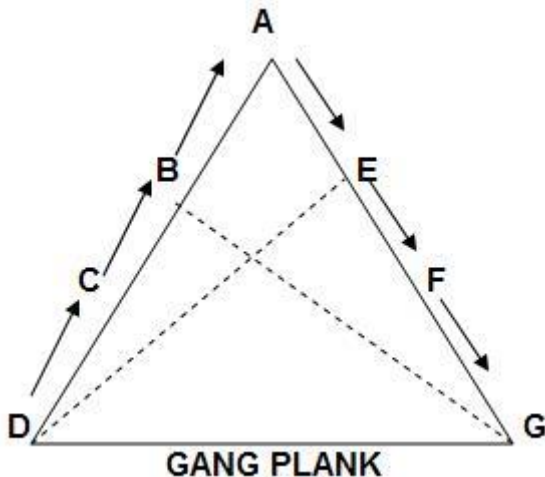
6. Subordination of Individual Interest- This indicates a company should work unitedly towards the interest of a company rather than personal interest. In order to achieve this attitude, it is essential that - Employees should be honest, sincere, Proper & regular supervision of work.

7. Remuneration- This plays an important role in motivating the workers of a company. Remuneration can be monetary or non-monetary. However, it should be according to an individual's efforts they have made. The quantum and method of remuneration to be paid to the workers should be fair, reasonable, satisfactory & rewarding of the efforts. Wages should be determined on the basis of cost of living, work assigned, financial position of the business, wage rate prevailing etc. Fayol also recommended provision of other benefits such as free education, medical & residential facilities to workers.

8. Centralization & De-Centralization- Centralization means concentration of authority at the top level. In other words, centralization is a situation in which top management retains most of the decision making authority. Decentralization means disposal of decision making authority to all the levels of the organization. In other words, sharing authority downwards is decentralization. According to Fayol, "Degree of centralization or decentralization depends on number of factors like size of business, experience of superiors, dependability & ability of subordinates etc. Anything which increases the role of subordinate is decentralization & anything which decreases it is centralization.

9. Scalar Chain- Fayol defines scalar chain as 'The chain of superiors ranging from the ultimate authority to the lowest'. Every orders, instructions, messages, requests, explanation etc. has to pass through Scalar chain. But, for the sake of convenience & urgency, this path can be cut short and this short cut is known as Gang Plank.

A **Gang Plank** is a temporary arrangement between two different points to facilitate quick & easy communication as explained below:



In the figure given, if D has to communicate with G he will first send the communication upwards with the help of C, B to A and then downwards with the help of E and F to G which will take quite some time and by that time, it may not be worth therefore a gang plank has been developed between the two.

Gang Plank clarifies that management principles are not rigid rather they are very flexible. They can be modified as per the requirements of situations .

10. Order- This principle is concerned with proper & systematic arrangement of things and people. Arrangement of things is called material order and placement of people is called social order. Material order- There should be safe, appropriate and specific place for every article and every place to be effectively used for specific activity and commodity. Social order- Selection and appointment of most suitable person on the suitable job. There should be a specific place for everyone and everyone should have a specific place so that they can easily be contacted whenever need arises.

11. Equity- Equity means combination of fairness, kindness & justice. It implies that managers should be fair and impartial while dealing with the subordinates. They should give similar treatment to people of similar position. They should not discriminate with respect to age, caste, sex, religion, relation etc. Equity is essential to create and maintain cordial relations between the managers and sub-ordinate.

12. Stability of Tenure- Fayol emphasized that employees should not be moved frequently from one job position to another i.e. the period of service in a job should be fixed. Therefore employees should be appointed after keeping in view principles of recruitment & selection but once they are appointed their services should be served. According to Fayol. “Time is required for an employee to get used

to a new work & succeed to doing it well but if he is removed before that he will not be able to render worthwhile services”. As a result, the time, effort and money spent on training the worker will go waste. Stability of job creates team spirit and a sense of belongingness among workers which ultimately increase the quality as well as quantity of work.

13. Initiative- Workers should be encouraged to take initiative in the work assigned to them. It means eagerness to initiate actions without being asked to do so. Fayol advised that management should provide opportunity to its employees to suggest ideas, experiences & new method of work. It helps in developing an atmosphere of trust and understanding.

14. Esprit de Corps- It refers to team spirit i.e. harmony in the work groups and mutual understanding among the members. Spirit De’ Corps inspires workers to work harder. Fayol cautioned the managers against dividing the employees into competing groups because it might damage the moral of the workers and interest of the undertaking in the long run. To inculcate Esprit De’ Corps following steps should be undertaken -

- There should be proper co-ordination of work at all levels
- Subordinates should be encouraged to develop informal relations among themselves.
- Efforts should be made to create enthusiasm and keenness among subordinates so that they can work to the maximum ability.
- Efficient employees should be rewarded and those who are not up to the mark should be given a chance to improve their performance.
- Subordinates should be made conscious of that whatever they are doing is of great importance to the business & society.

8.8 COMPARISON BETWEEN TAYLOR AND FAYOL

Both, F.W Taylor and Henry Fayol have common ideas to share. Both the writers have aimed at enhancing the efficiency levels of the organizations and formulated the principles accordingly. The principles formulated by Taylor are known as the ‘principles of scientific management while principles of Fayol are known as the ‘general principles of management or administration’. Both have common agreement on certain principles like division of work, specialization, responsibilities of managers, unity within the group etc. Though the principles formulated by both of them intended to enhance a positive workplace, but there are significant differences between the two theories. The key difference between Taylor principles of management and Fayol principles of management is that Taylor principles consider the workflows and operator efficiency levels in an organization whereas, Fayol principles of management theory consider top management approach to resolve problems. Taylor principles of management consider employee efficiency, whereas Fayol principles of

management consider human and behavioural determinants of the organization. Fayol principles of management emphasize on activities like planning and controlling, whereas Taylor principles of management emphasize on work study and time of study of workers. Moreover, Fayol principles put more emphasis on top management point of view on resolving problems, whereas Taylor principles emphasize low-level management in an organization. However, Fayol principles can be applied to any organization; because it is universally applicable, but Taylor principles are applied only to specialized organizations like production and engineering.

8.9 SUMMARY

- Fayol said that there are certain administrative factors which affect the centralization or decentralization. The administrative factors mentioned by Fayol are - the age of agency, stability of its policies and methods, competence of its field personnel, pressure for speed and economy and administrative sophistication. Among these factors, the age of agency is more important.
 - The scalar chain is the chain of superiors ranging from the ultimate (topmost) authority is the route followed—via every link in the chain—by all communications which start from or go to the ultimate authority. However in large organization's following this path often is too lengthy.
 - Fayol suggests that training is a continuous process, starting from the school and covering in service training of the employees within an organization. He considers every superior officer in an organization as a teacher to his immediate subordinates.
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8.10 KEY TERMS

Decentralization: The process of redistributing or dispersing functions, powers, people or things away from a central location or authority.

Centralization: The concentration of management and decision-making power at the top of an organization's hierarchy.

Esprit de corps: A feeling of pride and mutual loyalty shared by the members of a group.

8.11 QUESTIONS AND EXERCISES

1. List the disadvantages of decentralization.
2. State the unity of command principle as proposed by Fayol.
3. On what basis has the scientific management movement been criticized?
4. Explain Fayol's 'Fourteen Principles of Management.'

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UNIT-9: ELTON MAYO

Structure

- 9.1 Objective
- 9.2 Introduction
- 9.3 Life Of George Elton Mayo
- 9.4 Contributions of Elton Mayo Towards Hawthorne Experiments
- 9.5 Main Features of the Human Relations Theory Dispute Resolution
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- 9.7 Findings and Conclusion
- 9.8 Criticism of Human Relation Theory:
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- 9.11 Exercises
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9.1 OBJECTIVES

After going through this unit, you will be able to know:

- Examine the significance of human relations and informal organizations as discussed by Mayo and Roethlisberger
- Comprehend the implications of the Human Relations Movement in context of administrative behaviour.
- Ability to appreciate the contribution of George Elton Mayo as a distinct school of thought pertaining to administrative studies.
- Develop faculty to objectively analyze the contribution of George Elton Mayo to the field of Public Administration.

9.2 INTRODUCTION

George Elton Mayo (1880-1949) born at Adelaide, Australia and much renowned for his distinct and influential Hawthorne studies and profound work in Industrial Sociology and Industrial Psychology has been considered one of the pioneers of the human relations approach to the organization. Elton Mayo, an expert of the fields of logic, philosophy, sociology, psychology,

management and medicine, went on to impart new dimensions to the concepts of industrial sociology and industrial psychology in those times when Taylorism was at its zenith. He devoted greater attention to the workers than to the machines and emphasized the indispensability of the human aspect of organizations while looking into technical and economic aspects of industries. In the course of his extensive travel in search of suitable profession, Elton Mayo was in United States from 1926 to 1947 and held the post of Professor of Industrial Research at the Graduate School of Business Administration, Harvard University and conducted the most intensive studies on human relations known as Hawthorne Experiments (1927-32) at the Western Electric Company's Hawthorne Plant near Chicago.

9.3 LIFE OF GEORGE ELTON MAYO (26 DEC 1880 — 7 SEPT 1949)

The human relations approach is also known as New Classical approach. Elton Mayo termed it Clinical approach. It attempts to explain the informal relations among employers and employees are concerned with moral and psychological rather than legal aspects of an organization. The approach considers worker not only one of the means of production system but as a man‘

In 1933, Mayo wrote his first most important book entitled ‘The Human Problems of an industrial Civilization’, ‘Social problems of an Industrial Civilisation’, 1945, ‘Training for Human Relations’, 1949 etc. Mayo was an Australian-born American psychologist and sociologist. He is famous for the Hawthorne studies, which examined the effects of social relations, motivation, and employee satisfaction on factory productivity.

9.4 CONTRIBUTIONS OF ELTON MAYO TOWARDS HAWTHORNE EXPERIMENTS:

According to Human Relations Approach, management is the Study of behaviour of people at work. This approach had its origin in a series of experiments conducted by Professor Elton Mayo and his associates at the Harvard School of Business at the Western Electric Company's Hawthorne Works, near Chicago.

These studies brought out for the first time the important relationships between social factors and productivity. Before it, productivity of the employees was considered to be a function only of physical conditions of work and money wages paid to them. For the first time it was realized that productivity depended largely upon the satisfaction of the employees in work situations.

Hawthorne Experiments of Elton Mayo are considered as the bedrock of human relations movement in the management. These experiments were conducted in the Hawthorne plant of the Western Electric Company from 1924 to 1932. Some of the major phases of Hawthorne experiments are as

follows:

1. Experiments to determine the effects of changes in illumination on productivity, **illumination experiments, 1924-27.**
2. Experiments to determine the effects of changes in hours and other working conditions on productivity, **relay assembly test room experiments, 1927-28;**
3. Conducting plant-wide interviews to determine worker attitudes and sentiments, mass **interviewing programme, 1928-30;** and
4. Determination and analysis of social organisation at work, **bank wiring observation room experiments, 1931-32.**

1. Illumination Experiment:

The first in the series was ‘The Great Illumination’ experiment (1924-27) having its objective to find out the impact of single variable i.e. illumination on the working capacity of workers. Under this experiment, two groups (control and experimental) of female workers, consisting of six members each, were formed and located in two different rooms, each group performing the same task. In the beginning, the rooms were equally illuminated but later on the experimental group was subjected to changes in the level of illumination. The research team observed both the groups and kept accurate record of production. The result was that regardless of the level of illumination, the production in both the groups increased. This experiment was conducted to establish relationship between output and illumination. When the intensity of light was increased, the output also increased. The output showed an upward trend even when the illumination was gradually brought down to the normal level. Therefore, it was concluded that there is no consistent relationship between output of workers and illumination in the factory. There must be some other factor which affected productivity.

2. Relay Assembly Test Room Experiment:

This phase aimed at knowing not only the impact of illumination on production but also other factors like wage payments, duration of working hours, rest periods and other physical conditions were changed from time to time. Further, instead of group incentive plan, an individual piece rate plan was introduced. All these changes led to continued rise in production. Likewise, provision of refreshment like tea, coffee and soup as well as reduction in working hours and total work time in a week further accelerated the output. In this experiment, a small homogeneous work-group of six girls was

constituted. These girls were friendly to each other and were asked to work in a very informal atmosphere under the supervision of a researcher. Productivity and morale increased considerably during the period of the experiment. Productivity went on increasing and stabilized at a high level even when all the improvements were taken away and the pre-test conditions were reintroduced. The researchers concluded that socio-psychological factors such as feeling of being important, recognition, attention, participation, cohesive work-group, and non-directive supervision held the key for higher productivity.

3. Mass Interview Programme:

The objective of this programme was to make a systematic study of the attitudes and sentiments of workers towards management and supervision. Under this workers were asked to express their views freely on the programs and policies of the management, working conditions and treatment by the supervisors. This provided an opportunity to as many as 21126 workers who were interviewed with the help of interview schedule. Initially, a direct approach was used whereby interviews asked questions considered important by managers and researchers. The researchers observed that the replies of the workmen were guarded. Therefore, this approach was replaced by an indirect technique, where the interviewer simply listened to what the workmen had to say. The findings confirmed the importance of social factors at work in the total work environment.

4. Bank Wiring Test Room Experiment:

This experiment was conducted by Roethlisberger and Dickson with a view to develop a new method of observation and obtaining more exact information about social groups within a company and also finding out the causes which restrict output. The experiment was conducted to study a group of workers under conditions which were as close as possible to normal. Under this 14 employees consisting of three groups of workmen were selected whose work was of interrelated nature i.e. to solder, to fix the terminals and to finish the wiring. Wages were paid on the group incentive plan and each member got his share on the basis of the total output of the group. It was found that the workers had a clear-cut standard of output which was lower than the management target. The group as per its standard plan did not allow its members to increase or decrease the output. Although they were capable of producing more, the output was held down to maintain uniformity. The group became highly integrated and it used social pressure to set right the erring members by maintaining a code of conduct. Those workers who tried to produce more than the group norms were isolated, harassed or punished by the group. The findings of the study are:-

- Each individual was restricting output.
- The group had its own “unofficial” standards of performance.
- Individual output remained fairly constant over a period of time.
- Informal groups play an important role in the working of an organization.

9.5 MAIN FEATURES OF THE HUMAN RELATIONS THEORY

The human relations theory challenges the concept of an economic man popularized by the classical theories. It holds that every person is different and not a part of a homogenous mass of human beings. It also holds that every person works as a part of a work group. It is, therefore, important to consider the work group and other social factors while trying to determine the behaviour of workers. The scholars of this school of thought have concentrated on three main features of this theory which concerns the individual, social aspect of work group (informal organization) and participative management. A brief description of these significant features is discussed as follows:

- (ii) **The Individual:** The theory emphasizes the uniqueness of each individual. It is said that each worker brings to the job his own attitudes, beliefs and ways of life as well as certain skills—technical, social and logical. An organization cannot hire only a part of the man. It has to put up with his attitude and beliefs if it wants to use his skills. Each person also has hopes and expectations from his job. These also have to be taken into account by the organization if it wants a motivated workforce to carry on its activities.
- (iii) **Work groups (informal organizations):** The second aspect of this theory is its emphasis upon the social dimensions of the work groups. It is observed that man is a social being and has an overriding need to belong, to be accepted by and stand well in his group. To a worker, therefore, the work group is as important, if not more, as the formal organization. In fact, Mayo has gone to the extent of saying that the work group of a man is his real concern and other things were incidental. The most important contribution of the human relations theory is, therefore, to consider the impact of work groups (informal organizations) on the motivation and productivity of the workers. William G. Scott has remarked that these work groups do not form part of the normal organizational chart and are not shown on the administrative blue prints of the organization. They arise naturally in the work situation. Each work group tends to adopt its own has, therefore, to consider the impact of these work groups on the motivation of workers in an organization. It appears essential to reconcile the interests of these work groups with those of the organization.
- (iv) **Participative Management:** The third most important feature of the human relations theory is participative management. It has emerged from the increased emphasis on individual and work groups. Participative management in fact means participation of the workers in decision-

making about their work conditions. To be meaningful, the participative managements should ensure that the workers are able to influence the decisions that affect them. It has been observed that this leads to an increase in the motivation of workers and their productivity. This is in sharp contrast to the scientific management principles of Taylor. Taylor held that only experts in job analysis understood enough about the job to be able to improve it. The specification of jobs and the working conditions were to be decided by the higher management and not the workers themselves. The human relations theory on the other hand lays emphasis on the effective participation of the workers in taking decisions that affect them. The human relations theory thus focusses on what is called informal organization. In the words of Roethlisberger, ‘too often we try to solve human problems with nonhuman tools and in terms of non-human data. It is my simple thesis that a human problem requires a human solution first, we have to learn to recognize a human problem when we see one; and second, upon recognizing it, we have to learn to deal with it as such and not as it were something else, a human problem brought to a human solution requires human data and human tools.’

9.6 SIGNIFICANCE OF HUMAN RELATION THEORY

The significance of Human Relation theory is as follows:

- The significance of the human relations theory lies in its primary emphasis on psychological motivations and informal group.
- This theory or approach focuses on management as a web of interpersonal relationships.
- It lays greater stress on the behaviour of role occupants in an organization than on the formal structure of the organization.
- The advocates of this school argue that since management and administration involve group effort, the study of management must be centered on individual as a socio-psychological being
- They are more concerned with his motivations.
- They view human relations as the heart of the task of management with leadership.

9.7 HAWTHORNE EXPERIMENTS ON HUMAN BEHAVIOR: FINDINGS AND CONCLUSION

Mayo's research findings have contributed to organizational development in terms of human relations and motivation theory.

1. The social and psychological factors are responsible for workers' productivity and job satisfaction. Only good physical working conditions are not enough to increase productivity.
2. The need for recognition and security is more important in determining workers' morale and productivity than the physical conditions under which he works.
3. Employee will perform better if they are allowed to participate in decision making process.
4. The worker is a person whose attitudes and effectiveness are conditioned by social demands from both inside and outside the work area.
5. The informal relations among workers influence the workers' behaviour and performance more than the formal relations in an organization.
6. Informal groups within the work area exercise strong social controls over the work habits and attitudes of the individual worker.
7. Employee will also work more efficiently, when they believe that the management is interested in their health and welfare.
8. When Employees are treated with respect and dignity their performance will improve.
9. Good communication between the superiors and subordinates can improve the relations and the productivity of the subordinates.
10. Special attention, flexibility and freedom to express their views will improve the performance of the workers.
11. Group collaboration does not occur by accident; it must be planned and developed. If group collaboration is achieved, then the human relations within a work area may reach a cohesion which resists the disrupting effects of adaptive society.

9.8 CRITICISM OF HUMAN RELATION THEORY:

Though human relations approach is quite popular yet it has been victim of several criticisms by scholars like David Ashton, Peter F. Drucker, Alex Carey, Miller and Form, Loren Baritz, B. M. Selekman, Daniel Bell, Bendix and Fisher, Harold Sheppard etc. The main grounds of criticism are as under:

1. The Hawthorne experiment is criticized because there is no scientific base. It is based on social relationship.
2. Behavior of the workers during the experiments was not natural. It was actually the Hawthorne effect which gives their best when observed.
3. It was also pointed out that this experiment does not have any guarantee because it has limited scope.
4. As a result of the impact of human relation approach, human relation become fad and fashion with many people of the organization. They believe that happy workers are productive workers. This is not always true.
5. With the passage of time both managers & workers begin to realize disadvantage of the situation.
6. It gave little attention the formal relation while putting greater emphasis on the informal relations.
7. This theory is not aware of the economic dimension and neglected the nature of work.
8. It could not explore the multi dimensional phenomenon of human motivation.
9. Marxists says that it is a new technique to exploit workers as it de-emphasized economic factors.
10. It is Anti-Unions and Pro-Management Bias
11. It is over-concerned with happiness.
12. It does not recognize the conflict as a creative force.

9.9 SUMMARY

- Human Relations Movement became dominant in the theory of administration due to the failure of scientific and administrative management which was considered to be a setback to the study of scientific management.
- The Human Relations theory came from the Hawthorne experiments that were carried out in USA. These experiments also took place in the late 1920s and early. Elton Mayo of Harvard and his associates carried out well-known study on human behaviour at the Hawthorne plant of the Western Electric Company. Their study formed the basics of this school of management thought.
- According to the concept of Paternalism, management must assume a fatherly and protective attitude towards employees. The impersonal attitude of the commodity concept was put back by a personal and sometimes super-personal attitude of paternalism. This leaned towards liberal attitude and was due to growth of the trade unionism during the First World War.
- Elton Mayo mainly concentrated on the working conditions of an organization. It was basically focussed on industrial labour in the factories. He started his research in a textile mill near Philadelphia in 1923. The mill provided all the facilities to the labour which were well

organized. It was considered to be a model organization.

- Mayo and his colleagues concluded that one should not miss the human aspect of organizations simultaneously emphasizing on the technical and economic aspects of the industries. The Hawthorne experience recommended a new expertise of managerial skills. In addition to the technical problems as well as related skills, the management should handle human situations.
- The human relations theory challenges the concept of an economic man popularized by the classical theories. It holds that every person is different and not a part of a homogeneous mass of human beings. It also holds that every person works as a part of a work group. It is, therefore, important to consider the work group and other social factors while trying to determine the behaviour of workers.

9.10 KEY TERMS

Hawthorne experiment: The Hawthorne effect was first seen in the 1920s at the Western Electric Company's Hawthorne Works, from which the term derives. The Hawthorne studies were designed to find ways to increase worker productivity.

9.11 QUESTIONS AND EXERCISES

1. Comment upon the significance of Hawthorne's Experiments in the growth of the theory of organization.
2. Critically appreciate the status of George Elton Mayo as the Father of the Human Relations Movement.

9.12 FURTHER READING

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Structure

- 10.1 Objectives
- 10.2 Introduction
- 10.3 Herbert Simon Life and Work
- 10.4 Administrative Ideas of Simon
- 10.5 Summary
- 10.6 Key Terms
- 10.7 Exercise
- 10.8 References

10.1 OBJECTIVES

After going through this unit, you will be able to know:

- Analyse the contribution of Herbert Simon in the study of decision-making
- Life and work of Herbert Simon

10. 2 INTRODUCTION

Herbert A. Simon (1916–2001) was an American social scientist, economist, political scientist, and computer scientist who made significant contributions to various fields, including economics, artificial intelligence, cognitive psychology, and management science. He was awarded the Nobel Prize in Economic Sciences in 1978 for his pioneering research on decision-making processes within economic organizations.

Herbert A. Simon's work has left an enduring legacy, impacting fields as diverse as economics, management, artificial intelligence, and cognitive psychology. His interdisciplinary perspective and groundbreaking ideas continue to influence research and scholarship across multiple disciplines.

10.3 HERBERT SIMON LIFE AND WORK

Herbert Alexander Simon (15th June, 1916 - 9th February, 2001) born in Milwaukee, Wisconsin, USA. He completed his high school in 1933 and entered in the University of Chicago with an interest in making social science more mathematical, and an intent to major in economics. He majored instead in political science. Simon's dissertation, later published as *Administrative Behaviour*, is as relevant

to political science and to organization theory, as is to economics. He obtained his Ph.D. in political science from the University of Chicago in the year 1943. Simon developed the behavioural theory of decision making and the concepts of bounded rationality and satisficing. He was awarded Bank of Sweden Prize in Economic Sciences in memoriam of Alfred Nobel for his research work into the decision making process within economic organizations in 1978. Crozier referred to Simon as “the father of the sciences of decision” on the occasion he was conferred Nobel Prize.

He authored Administrative Behavior (1945 1st edition & 1997 4th edition), Public Administration (1950 joint authorship), Models of Man (1957), Organizations (1958 & 1993 co authorship with J G March), The New Science of Management Decision (1960 & 1977), The Sciences of Artificial (1969 & 1981), Models of Thought (1979), Models of Bounded Rationality (1982), Reason in Human Affairs (1983), Models of my Life (1991) and many others.

Simon argued that administration revolves around rationality and decision making. He was of the opinion that the development of the pure science of administration is based in social psychology (behavioural aspects) and its (science of administration) normative base (ideals and descriptions) is founded in political science, economics and sociology. He favoured the coexistence of both empirical and normative approaches for the growth of the discipline of public administration.

Simon views the organisation as a total system, a composite of all the sub-systems which serve to produce the desired output. He assumes that the element of organisational structure and functions emanate from the characteristics of human problem-solving processes and rational choices.

10.4 ADMINISTRATIVE IDEAS OF SIMON

The administrative ideas of Herbert Simon can be discussed as follows:

DECISION MAKING

Decision-making is an important function of an administrative officer. Every administrator, in public sector as well as private sector, is required to make decision on various matters. Even simple tasks cannot be performed without someone being there to take decision. For example an office cannot start functioning unless there is someone to decide about allocation of work among employees. On the other hand very important decisions affecting the social and economic development of the country have to be taken by the senior administrators and politicians. Many of these complicated decisions are arrived at after a great deal of processing and discussions at various levels of administration. It may, therefore, be worthwhile for the administrators to know about the art and science of decision making and to understand the various processes involved in arriving at a decision. The decision which the organization makes for an individual generally include specifying his functions, allocating authority and setting limits to his choice. This is done to coordinate the activities of the individuals in an organization. But the process of decision does not come to an end. In fact decision making- involves the execution of decision in which even a person

working at the lower level has an essential role to play in the accomplishment of the objective of the organization.

Simon associates 'administration' with decision-making. His dominant interest lies in the decision-making process which is the core of all administrative activity. To him, all administrative action is decision-making. He says that 'the task of deciding pervades the entire administrative organization quite as much as does the task of doing. Indeed, it is integrally tied up with the latter. A theory of administration must include principles of organization that will ensure correct decision-making, just as it must include principles that will ensure effective action.

Decision involves an alternative chosen from a number of choices, directed toward a managerial objective or subgoal. Realistic alternatives were distinct to having real effects consisting of human resources actions or non-actions tailored by ecological facts and values. In practice, some of the alternatives may be mindful or insensible. Most of the effects may be inadvertent as well as planned and most of the resources and trimmings may be incorrectly made a distinction, to some extent connected, or inadequately comprehensive.

The task of rational decision-making is to choose the option that outcome in the more chosen set of all the promising consequences. This task may be divided into three required steps:

- The recognition and listing of all the alternatives
- The strength of mind of all the cost ensuing from each of the substitute
- The assessment of the correctness and competence of each of these sets of cost

SIMON'S PROCESS OR STAGES OF DECISION-MAKING

According to Simon, there are three stages in the overall process of decision-making, which are as follows:

- Intelligence activity
- Design activity
- Choice activity
- Review

The intelligence: Activity involves identifying occasions calling for a decision. Executives spend a large fraction of their time surveying the economic, technical, political and social environment to identify new conditions that lead to new action.

The Design: Activity comprises inventing, developing and analysing possible courses of action. An executive may even spend a larger chunk of time seeking to invent, design and develop possible courses of action for handling situations where decisions are needed.

The choice: activity involves selecting a particular course of action from the available choices. For this, an executive needs a small fraction of his time, since he has to choose among actions already developed.

Review: It comprises of activities related to review the alternatives and their consequences. Pomeroy and Adam state: “The role of information and attention is particularly fundamental in first two phases of decision making because managers can only choose between alternatives that they know about and they are able to document”. They also quoted Simon as “information acts as a constraint on decision”.

Simon says that though these stages appear to be simple and one precedes the other, in practice the sequence is more complex than what it appears to be. Moreover, Simon was aware of interdependence between various stages and exclusiveness of each stage as a decision in itself. Further, according to Simon, the execution of decision is also regarded as a decision making process as that reviews the consequences of alternative chosen and that brings new kinds of information for the decision maker. Thus, whole managerial actions are integral part of the process of decision making and it eliminated the conception that the decisions are “the moment of choice”. Simon states: “All the images falsify decision by focusing on the final moment”

Simon said that decision-making process is not restricted to taking a decision only. It includes carrying out the decision also. For Simon, the whole managerial action is included in the process of decision-making.

CLASSIFICATION OR TYPES OF DECISIONS MAKING

- **Programmed and non-programmed decisions:** Herbert A. Simon has classified decisions into programmed and non-programmed. Decisions are programmed to the extent that they are monotonous and tedious. Decisions are non-programmed to the extent that they are novel, unstructured and consequential. There is no cut-and-dried method for handling the problem. Decisions are also classified as being generic and unique decisions. Generic and unique decisions are similar to programmed and non-programmed decisions, respectively.
- **Organizational and personal decisions:** Chester Barnard classifies decisions into personal and organizational decisions. Organizational decisions are those which an executive takes in his official capacity and that can be delegated to others. Personal decisions are those which an executive takes in his individual capacity and not as a member of his organization. These personal decisions are not delegated.
- **Policy and operating decisions:** Policy decisions are those which are taken by the top management and which are of fundamental character affecting the whole business. Operating decisions are those which are taken by lower management cadres for the purpose of executing policy decisions. Policy and operating decisions are also known as strategic and tactical decisions respectively.
- **Individual and group decisions:** Many decisions, even critical ones in organizations are made

by the individual manager, who assumes full responsibility for the consequences of such decisions. Group decisions are those which are made by more than one manager joining together for the purpose for which they assume collective responsibility.

- **Fact-Values in Decision-Making:** Herbert Simon views that each decision is based on a number of value premises i.e. arguments based on rational thinking. Some of these premises pertain to the decision maker's preferences, some to his social conditions and some others to the communication he receives from component units of the organization. To Simon these premises are of two kinds – values and facts.

He distinguished between facts and values. In simple words: we ask a question what is. The answer of this question is fact and that can be verified or falsified. A fact is a statement of reality and therefore a factual premise can be proved by observable and measurable means. While, the values, that is, the answer of what ought to be are the wishes, objectives and aspirations or any one of these. The value is an expression of preference. Every decision consists of a logical combination of fact value premises. Simon says that the behavior of a rational person can be controlled if the value and factual premises upon which his decision is based are specified for him. The control over the person can be full or partial.

If all premises are specified then the control is full and if some are left to his discretion then it is partial. However, there is one important difference between permitting a discretion based on value premises and a discretion based on factual premises. The latter can always be evaluated as correct or incorrect whereas it is not possible in the case of former. This distinction between factual and value premises has an obvious bearing on the question of how discretion can be reconciled with responsibility and accountability and what the line of division is to be between policy and administration. Simon advocated the separation of facts and values for developing the science of administration. He was of the belief that this kind of science can only be based on facts.

RATIONALITY IN DECISION MAKING

Simon used the term “rationality” with adjectives like “bounded rationality”, “substantive rationality” and “procedural rationality”. He emphasized the necessity of being rational in making a choice. He defines rationality as one concerned with the selection of preferred behavior alternatives in terms of some system of values whereby the consequences of behavior can be evaluated. To him it requires a total knowledge and anticipation of the consequences that will follow on each choice. It also requires a choice from among all possible alternative behaviors. Simon explained the term rationality as “the matching of means to ends”. The term ‘means’—instrument purpose—refers to any state or situation which is earlier in time than some other state or situation while the term ‘ends’—ultimate purpose—refers to any state or situation which is later in a purpose chain or set of chains.

The same state or situation may always be a means from one point of view and an ultimate objective from another.

According to Simon, if appropriate means are chosen to achieve designed goals the decision is rational. However, there are many complications to this simple test of rationality. Pomerol and Adam consider that sometimes it raises more problems instead solving them as an individual can draw any conclusions from a false premise and on the other hand a decision taken on erroneous diagnosis may be found rational in some sense. Many times, it is difficult to separate means from ends because an apparent 'end' may only be a 'means' for some future 'end'. Besides this, often the connection between organization activities is obscure or there are certain internal conflicts and contradictions among the ultimate objectives, or the means selected to attain them (Manoj Sharma, p. 66).

TYPES OF RATIONALITY

Difference Types of Rationality includes:

1. **Objective rationality** – The decision where the correct behaviour is maximized in the given circumstances
2. **Subject-specific** – decision where maximum use of abstract reasoning based on subject knowledge is made.
3. **conscious rationality** – A decision where adjustment of means and ends may occur as part of a conscious process
4. **Well-thought rationality** – A decision in which a deliberate balance is established between means and ends
5. **Organizational rationality** – These are decisions oriented toward the organisation's goals.
6. **Personal rationality**- is one in which decisions are directed towards personal objectives are directed

Simon disputes the concept of total reasonableness in administrative behaviour. He observes that human behaviour is neither totally rational nor totally non-rational. It includes what he calls bounded rationality. He debates also the possibility of optimizing decisions which flows from the concept of total rationality. These concepts are based on the assumption that:

- they know the utilities (values) of all alternatives
- They have an ordered preference among all alternatives
- The decision-makers know all alternatives

Simon finds these assumptions to be fundamentally wrong. He rejects the theory of total rationality as well. It was based on total rationality. He advances the idea of 'satisficing,' a word derived from satisfaction and sufficing. Satisfying involves the choice of a course of action which is satisfactory or at least good enough. Simon believed that the concept of limited bounded rationality describes the

reality of conditions of decision making in an organization Simon mentions the following characteristics of the reality.

- Managers respond to problems on the basis of preconceived notions.
- The motives and values which come together to define a problem and structure
- Organizational decision makers never have perfect information
- Organizational actors frequently do not agree on basic values goals
- Decision makers typically do not know all the possible alternatives

According to Simon, the administrative man cannot perceive all possible alternatives. He is satisfied with 'good enough' or somehow 'muddling through'. The administrative man recognizes 'examining all possible alternatives', 'with relatively simple rules that do not make impossible demands upon his capacity for thought'. In sense Simon's administrative man tries to rationalize man. He does not have the ability to maximize. The difference between maximizing and satisfying is comparative.

BOUNDED RATIONALITY

Theory of bounded rationality was proposed in 1950's as an alternative to classical omniscient rationality. The bounded rationality refers to the fact that the decisions are not taken (by agents) with perfect rationality. Simon is of the opinion that human have a bounded rationality. He rejected the case of perfect rationality. The economic theory assumes that economic actor maximizes utility by becoming rational agents and taking decisions based on logic or on cost benefit analysis. Simon was of the opinion that human decisions should not be assumed as solely based on logical, statistical or certain other formal model but should be empirically investigated one. Further, the decision making should take into account three factors, which are: the type of task; the characteristics of the environment; and the distinct features of the cognitive system (which also includes experience or expertise) of the decision maker.

However, in practice, it has been found that the assumptions of economic theory are not followed rather the decision makers make decisions based on the characteristics of environment, task which requires decision making, and the knowledge, information and understanding (current state of research and information) of the decision maker about the environment and task pertaining to which the decision is to be taken. Moreover, how the decision is to be taken or the criterion used to take a decision is not fixed but may vary according to the expertise of the decision maker.

Simon consider that the humans face complexity of environment (in which decisions to be made) and possess "limited cognitive system" which make the rational decision making in real life setting impossible one. Moreover, there is limit of human cognitive system and people may not be informed of all kinds of relevant information required to take perfect decision. The decisions can be made with reasonable amounts of calculation, and using relevant information. The expertise to take decisions by using relevant information and after reasonable calculations limits the quality of

decision to the expertise of the decision maker. Thus, the perfect rationality is not followed rather the theory of bounded rationality (which underlines use of reasonable amounts of calculation, and incomplete information) is utilized to take decisions and relatively good decisions can be made without the need of analyzing all available alternatives.

Satisficing refers to choosing an alternatives that meets or exceeds one's (one or multidimensional) "aspiration level". However, the alternative so chosen is not guaranteed to be either unique or "the best" in the sense of a global optimum in mainstream rational choice theory. In such situation, Simon proposed that the people must go for 'satisficing' instead of 'maximization'. In simple words, the people must decide to take satisfactory alternative (decision) based on an adequate criterion from all available options, after evaluating those or without carrying out a full cost benefit analysis of the possible options. The choice of alternative may not be to a best option but it is good enough.

10.5 SUMMARY

- Herbert Simon said that the operational administrative decision should be correct and efficient in orientation. Administrative behaviour of Simon reflects a range of management techniques, goals and procedures of decision-making, evaluation of accuracy and efficiency and cognitive abilities.
- Simon associates 'administration' with decision-making. His dominant interest lies in the decision-making process which is the core of all administrative activity. To him, all administrative action is decision-making. He says that 'the task of deciding pervades the entire administrative organization quite as much as does the task of doing.'

10.6 KEY TERMS

- **Directing:** A basic management function that includes building an effective work climate and creating opportunity for motivation, supervising, scheduling, and disciplining.
- **Esprit de corps:** A sense of unity and of common interests and responsibilities, as developed among a group of persons closely associated in a task, cause, enterprise, etc.
- **Communication:** A purposeful activity of exchanging information and meaning across space and time using various technical or natural means, whichever is available or preferred.

10.7 QUESTIONS AND EXERCISES

1. Explain Herbert Simon's contribution to the field of decision-making.
2. Explain Herbert Simon's concept of bounded rationality.

10.8 FURTHER READING

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UNIT-11: ECOLOGICAL APPROACH: FRED RIGGS

Structure

- 11.1 Objectives
- 11.2 Introduction
- 11.3 About Fred W. Riggs
- 11.4 Tools and Approaches Used by Riggs
- 11.5 Summary
- 11.6 Exercises
- 11.7 References

11.1 OBJECTIVES

After going through this unit, you will be able to know:

- About Fred Riggs
- Tools and Approaches Used by Riggs
- The Ecological Approach and its various model

11.2 INTRODUCTION

A galaxy of administrative thinkers like Max Weber, Luther Gulick, Herbert Simon, Fred W. Riggs etc. have studied administrative systems from different perspectives, out of them Riggs stands out because he has provided an integrated approach to understanding administrative systems, from both ecological and development perspectives. Also, he has been one of the most innovative thinkers, whose Sala model is indispensable for understanding the administrative system of developing countries. His vast personal and professional experiences, prolific writings and contributions, have made him a predominant figure in the discipline of comparative and development administration. Despite multiple criticisms of his approaches and theories, they are immensely relevant for understanding the functioning of administrative systems in contemporary times also.

11.3 ABOUT FRED W. RIGGS

Fred W. Riggs is one of the most influential administrative thinkers, who has been a pioneer in the field of administrative model building and theory formulations. He was born on 3rd July 1917 in China and died on Feb 9, 2008, in the USA. His contributions in the field of comparative and development administration are well known. He is widely acclaimed for his ecological approach and Sala model. His theory finds lots of relevance in understanding the administrative system of developing countries. Fred Riggs studied at University of Nanking, China from 1934-35. He got his B.A. from the University of Illinois in 1938. He passed his M.A. in 1941 from Fletcher School of Law

and Diplomacy. He did his PhD at Columbia University in 1948. He held several important positions in his entire career. He was a Lecturer, at the City University of New York, from 1947-48; Research Associate, at the Foreign Policy Association from 1948-51; Assistant to Director, at Public Administration Clearing House, New York, 1951-55; Arthur F. Bentley Professor of Government, Indiana University, 1956-1967; Professor of Political Science, University of Hawaii, 1967-1987; Director, Social Science Research Institute, University of Hawaii, 1970-73; Professor Emeritus, University of Hawaii, 1987-till his death in 2008. He was associated with various professional organizations like the American Society for Public Administration, the National Academy of Public Administration etc. He chaired several committees and working groups like the Comparative Administrative Group (CAG), the American Society for Public Administration (1960-1971) etc.

1. Honors & Awards

- Dwight Waldo award for lifetime achievements in Public Administration, by American Society for Public Administration, in April 1991.
- Order of White Elephant, conferred by King of Thailand, in Bangkok, 1986.
- First non-Asian to be honoured by Eastern Regional Organization for Public Administration, EROPA Conference, Seoul, Korea, 1983.
- Fellow, Center for Advanced Study in the Behavioral Sciences, Stanford, 1966-67.
- Senior Specialist, East-West Center, University of Hawaii, 1962-1963.
- Fellow, Committee on Comparative Politics of the Social Science Research Institute, for field research in Thailand, 1957-58.

2. Major Works

- Fred W. Riggs, *The Ecology of Public Administration*, Asia Publishing House, New Delhi, 1961 (issued under the auspices of The Indian Institute of Public Administration, New Delhi)
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- Fred. W. Riggs, *Prismatic Society Revisited*, General Learning Press, Indiana University, 1973
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Development and Administration, Tribhuvan University, 1978

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11.4 TOOLS AND APPROACHES USED BY RIGGS

Fred Riggs has used three tools to develop his analyses: 1. Ecological Approach; 2. Structural Functional Approach; and 3. Ideal Models. The ecological approach is one of the most notable contributions made by Riggs, which was aimed at understanding how the environment affects administration and how administrative activities bring about changes in the environment. Riggs developed his ecological analysis with the help of a structural-functional approach and ideal models. Hence, the second tool used by Riggs was a structural-functional approach which is based on the premise that every system is made up of certain structures that perform specific functions. Social structures are considered any pattern of behaviour which has become a standard feature of a social system. Functions are the role that structures play in a system. Riggs has identified five types of functions being performed by any society: economic, social, communication, symbolic and political. An administrative system also consists of specific structures and the above functions are performed by certain structures in particular ways. The third tool used by Riggs was the Ideal model, which he developed to study the features of administrative systems in developing countries. He developed models corresponding to societies of traditional, modern and developing countries and his analyses drew from his studies of imperial China, America, Thailand, Philippines and to an extent India. Riggs borrowed various terms and concepts from different subjects like Sociology, Physics and Biology and also proposed his terms. That is why it is aptly said that the terms used by Riggs to explain his models are particularly Riggsian.

ECOLOGICAL APPROACH

The ecological approach is one of the most innovative approaches developed by Riggs that has facilitated comparative studies in Public Administration. Riggs found that most of the western concepts and theories look “inside” the system, not “outside” - the socio-economic environment. That is why he observes that Western concepts of Public Administration have major shortcomings in understanding the problems of developing countries. Hence, his ecological approach aims at studying inter-relationships between administration and the environment.

Various scholars like Prof. John Gaus, Robert A. Dahl, and Robert A. Merton have talked about the importance of ecology in explaining administrative behaviour. But it was Fred Riggs who made a substantive contribution to developing the ecological analysis. This approach has helped in understanding the reasons behind the differences in the functioning of administration in different societies and also within a society. Here administration is considered as a system, which is a unit that continuously interacts with its environment consisting of economic, social and political components and influencing each other in multifarious ways. This is premised on the idea that our society is a larger system consisting of various sub-systems and administrative institutions are one of them. Fred W. Riggs has rightly pointed out that only those studies are 'truly' comparative which are empirical, nomothetic and ecological. Based on ecological analysis, Riggs has created one of the most innovative models for understanding the administration of developing countries, which is described below.

FUSED-DIFFRACTED-PRISMATIC MODEL

As described earlier, Riggs has used a structural-functional approach to explain these three models of societies, in a fused society, a single structure carries out a large number of functions, whereas, in a diffracted society, there are specialized and different structures to carry out specific functions. The prismatic societies are those which have both the features of fused and diffracted societies. It is said that "the ideal models of Riggs such as fused, prismatic and diffracted are hypothetical assumptions aimed at analyzing the pre-historic, developing and developed societies". Riggs classified societies into fused, diffracted and prismatic based on one dimension which is the level of differentiation. But in his later publication, "Prismatic Society Revisited" (1975), he realized the limitations of a 'one-dimensional approach' (that is differentiation) and suggests a new definition of prismatic society based on a 'two-dimensional approach'. The second dimension was integration. A higher level of differentiation accompanied by integration, helps in bringing about development. Based on levels of differentiation and integration, Riggs said, "if a society is highly differentiated and well-integrated, then it is diffracted, but if it is differentiated and poorly integrated, mal-integrated, then I call it prismatic". Further, "if a society is not at all differentiated, if there are no specialists, if everyone can do everything, then I call it a fused system".

Prismatic conditions may be present in developed countries also and no country is fully developed. Development is a relative term, with some countries developed more than others on some scale, but on others, they have yet to make efforts. The chief features of Riggs Models are described below:

FUSED MODEL

Riggs developed his concept of fused society concerning imperial China and the pre-revolutionary Siamese Thailand. A fused society is characterized by particularism and ascriptive values. It is functionally diffuse as a single structure carries out all the functions. The economy is agricultural with almost no traces of industrialization or modernization. Production is low and the barter system is the mode of exchange. The royal family, consisting of the King and his officials have complete control over the administration and economy of the country. There is distance between King and his subjects and the king is not accountable to the people.

The people on the other hand have to respect their king and not challenge his authority. As a result, officials often become corrupt and engage in pursuit of their interests. Family plays a very important role in such a society and the administrative system is based on the structure of the family, which in turn helps in maintaining the system. Society is governed by traditional values, customs and beliefs and they help in maintaining cohesion in the society. Therefore, those who violate them are not tolerated and reprimanded. Generally, these societies are static and lack a developed communication system.

DIFFRACTED MODEL

This model was developed concerning American society. A diffracted society is characterized by universalism and achievement values. It is marked by functional specialization with each structure carrying out a specialized function. Society is characterized by industrialization and modernization. The economy is marketized and it influences all other spheres of activities. Government is accountable and responsive to the needs of society and people's rights. People are also alert about their expectations from the government and exert pressure to meet their demands. Citizens generally obey laws and decisions, and policies are made based on consensus among the people. Public servants do not have absolute powers and there are several checks on the authority. Further, there are open class structures, in the form of associations that work on rational and scientific basis. These societies are dynamic and have a very well-developed communication network. In a diffracted society there is a high level of differentiation and also an equally needed high degree of integration in the society, as a result, the functions performed are more productive and efficient.

PRISMATIC MODEL

A prismatic society is marked by selection (which incorporates a mixture of ascription and achievement). It is defined by poly-functionalism (a combination of functional specificity and functional diffuseness). Riggs has used fused and diffracted models to analyze the prismatic characteristics of developing countries. According to Riggs, the prismatic society has achieved a certain level of differentiation with specialization of roles necessary for dealing with modern technology but has failed to integrate these roles. Various features of prismatic society are described

below.

Heterogeneity

Heterogeneity exists to a substantial degree in a prismatic society. It means existence side by side of diametrically opposite view points, systems and processes. For example, the existence of modern structures along with traditional structures creates an uneven pattern of development in society. This heterogeneity is reflected in every sphere of society whether socio-economic, political or cultural spheres. People like to adopt modern ideas and practices but are unable to give up their traditional practices. There are urban areas with modern economic practices, intellectual class, developed communication networks, and Western-style offices, along with pockets of rural areas with an agriculture-based economy, high levels of illiteracy with village elders exercising control over all spheres of life, lack of modern infrastructure and primitive communication network.

This heterogeneity is visible in the administrative system of the Prismatic society also. People enjoying administrative and political offices enjoy great power and prestige and sometimes they misuse their power and engage in corrupt practices. Despite equal opportunities, the rich and the privileged enjoy higher posts and privileges in society than the common mass. Though the government is democratically elected, there is very less consensus on contentious issues. In a poly-communal, multi-lingual, ethnically divided society, there are centrifugal forces that pull society in different directions, as a result, there is a lack of integration. The administrative system is burdened with solving additional problems in addition to its traditional functions.

Formalism

Formalism refers to the gap between theory and practice, between prescriptions and practices, and between laws and their implementation. According to Riggs, 'formalism' refers to the extent "to which a discrepancy exists between norms and practices, between the prescriptive and descriptive, between formal and effective power...and actual practices and facts of government and society". Formalism is relatively high in a prismatic society whereas the percentage of realism is high in a fused and diffracted society. Realism means greater congruence between norms and practices. Further formalism is found to be prevalent in all areas of life in a prismatic society. For example, public officials do not adhere to all prescribed laws, following some technical provisions and neglecting more general terms and objectives. Such behavioural practices accompany official corruption. Riggs argued that formalistic behaviour is caused by, "the lack of pressure toward program objectives, the weaknesses of social power as a guide to bureaucratic performances and a great permissiveness for arbitrary administration".

Further, the level of formalism depends upon the type of pressures-exogenous or endogenous applied for the development or change in the society. According to Riggs, if the pressure is exogenous, the level of formalism will be higher. In contrast, there is relatively lesser formalism introduced in society if the source is endogenous.

Overlapping

According to Riggs, overlapping refers to “the extent to which formally differentiated structures of a diffracted society co-exist with undifferentiated structures of a fused type”. In diffracted societies, specialized structures perform different functions, so there is no overlapping. Similarly, in a fused society, a single structure performs all the functions and hence occurs with no overlapping. But in a prismatic society, new modern structures are created to perform functions, but the older and traditional structures also continue to perform some of these functions, resulting in confusion and irregularities.

Similarly, modern values are adopted in theory, but in practice, older values get preference. The functions of political and administrative offices are impacted by social, economic and cultural factors. The behaviour of administrative personnel is determined by various non-administrative factors like family, religion, caste etc. Some of the dimensions of overlapping in prismatic societies are ‘nepotism’, ‘poly-communalism’, ‘the existence of clients’, ‘poly-normativism and lack of consensus’ and ‘separation of authority from control’.

Riggs argued that formalism, heterogeneity and overlapping exist more in prismatic societies than in Western societies because the latter has got a longer period to adjust their behaviour to the evolving changes whereas in contrast, in developing or transitional societies, they had to rapidly adjust to the changes in the society. Further in any society, the differences in the pace of development are also related to the sources of change. Prismatic society encounters changes from both external and internal sources. Exogenous change is the change caused by external sources (like technical assistance programs), whereas endogenous change is predominantly caused by internal sources (like administrative reforms). If the change is caused by both exogenous and endogenous sources, then it is called ‘equi-genetic’.

Riggs has argued that the more exogenous the process of diffraction, the more formalistic and heterogeneous its prismatic phase; the more endogenous, the less formalistic and heterogeneous. This is so because suitable alterations in behaviour do not precede exogenous changes, resulting in heterogeneity and formalism, whereas endogenous changes occur from within, leading to better adaptation and greater consensus amongst different communities. In their bid to bring about fast development in the shortest possible time, prismatic societies adopt externally induced changes, which often breed conflict and tensions in society.

SALA MODEL

Fred Riggs called the administrative sub-system of a prismatic society as ‘Sala’ and developed a model based on it. The administrative sub-system of a fused society is called a ‘Chamber’ whereas that of a diffracted society is designated as a ‘Bureau’ or ‘Office’. Each of them has their distinct

features and characteristics. But the 'Sala' of prismatic society displays features of a 'bureau' of a diffracted society and the 'Chamber' of a fused society. Some of the features of the Sala model are described below:

Nepotism

Nepotism is favouritism that is displayed in matters of appointments to various administrative positions and delivering welfare services. Members of a particular family or group are given preference in employment and other matters. Government officials often misuse their positions and extend various benefits to their relatives. Though many rules and regulations exist to guide their behaviour, they are often violated in practice.

Sala officers are often engaged in personal power aggrandizement and acquisition of material benefits rather than working for the welfare of the people. In a diffracted society, generally, family loyalty and kinship do not influence official behaviour. While in a fused society, since the character of the politico-administrative system is patrimonial, so kinship or family is predominant in such a system. In a prismatic society, universalistic norms are often violated in favour of parochial interests.

Poly-Communalism

Poly-communalism refers to the existence of multiple ethnic and religious communities in society. There are often conflicts between them over interests, distribution of resources etc. and it makes it very difficult for politics as well as administration to arrive at a consensus over policy matters. Members of a certain community when occupying high positions in the administration, give preference to the members of their community in matters of recruitment, promotion etc. Since different communities have different interests, they pull society in different directions, creating problems for the administration. To address this problem, a quota or reservation system is adopted to provide proportional representation to all communities in the administration. But such arrangements may lead to further hostility and compartmentalization amongst rival communities.

Existence of 'Clects'

'Clects' are typical prismatic groups making use of modern, associational methods of organization, but retain diffuse particularistic goals of a transitional type. These have characteristics of attainment orientation, selectivism and poly-functionalism. 'Clects' combine the features of 'sects' of the fused and 'club' of the diffracted society. Government officials belonging to particular 'clects' seems to be serving the interests of their respective 'clects' rather than the common people. Sala officers sometimes develop closer relations with particular 'clects' or it starts functioning like a clect in itself. This leads to the violation of universalistic norms and also breeds corrupt practices.

Poly-normativism and lack of Consensus

Prismatic societies are characterized by different norms and values possessed by people and that leads to differences in the society. Due to the co-existence of traditional and modern ideas, and the

overlapping of 'formal' and 'effective' standards of conduct, there is a lack of consensus in the society. Though the Sala officials are appointed based on high merit in competitive examinations in their career, for their promotion and transfers, they depend largely on ascriptive ties with their senior officials. Sala officials are selective in their following of the modern set of norms, rejecting them when it is inconvenient. Public expects the bureaucrats to follow all rules and regulations in their work but when it comes to their interests, they break the rules or seek exemptions to it.

Separation of Authority from Control

Power is exercised in a prismatic society in the form of authority and control, both deriving from different sources. Explaining this Riggs says that the prismatic society consists of a "highly centralized and concentrated authority structure overlapping a control system that is highly localized and dispensed". The control system works through poly-communalism, clefts and poly-normativism. There is considerable overlapping between the authority of Sala and the control exercised by local and communal groups, which influences the functioning of administrators and also relations between politicians and administrators.

In a prismatic society, though the political leaders enjoy constitutional powers, in practice, bureaucrats dominate the politico-administrative system. They play a more important role in decision-making and policy formulations than what their formal authority suggests. Riggs has termed it as an 'unbalanced polity' and in such a system, administration becomes unresponsive to the needs of the people. Arguing further, Riggs reiterated that in such a weak system, where leadership cannot control bureaucracy, their political parties, voluntary associations and public opinion also fail to discharge their effective functions.

Further, the influence of political authorities can be judged by their ability to reward or punish the administrators. When weak leadership fails to reward the achievements of a Sala official, it can demotivate him from his organizational goals and lead to promoting his interests.

In a prismatic society, bureaucrats exercise considerable influence on the output of Sala. In this regard, Riggs commented that "there is an inverse relation between the administrative output and bureaucratic power: the more powerful officials become, the less effective they are as administrators".

BAZAR-CANTEEN MODEL-PRISMATIC ECONOMY

Riggs has named the economy of a prismatic society as the 'Bazar-Canteen' model. To understand the meaning of this nomenclature, it is essential to understand first how prices are determined in a prismatic society. Now in a diffracted society, there is a market economy, in which forces of demand and supply determine the prices of goods. Conversely, in a fused society, 'arena' factors-family, religion and caste considerations dominate and the economy is based on the barter system, where the question of price very rarely arises. In a prismatic society, there is the prevalence of both 'market' and 'arena' factors that interact with each other and produce price indeterminacy, where it is very

difficult to determine the common price of a commodity or service.

Riggs has studied the exchange relationship between public officials and their clients in terms of buyer-seller relationships. Further, this buyer-seller relationship is not neutral but is determined by various factors. Some of them include family relations, individual acquaintances, bargaining power, caste memberships etc. Services are sold to such people or communities at lower rates whereas, those who are outside this preferential category have to pay higher prices. In other words, the economic organizations act like a 'subsidized' canteen, where members of privileged groups are provided goods and services at subsidized prices. Further, there are 'tributary' canteen, where members of non-influential and less-privileged communities are charged higher prices for the same services.

Price indeterminacy promotes a bazaar-like atmosphere in a prismatic society involving considerable bargaining on the amounts of financial dealings about such areas as taxes, fees, rebates and bribes. Wages in a prismatic society are also indeterminate and unequal. A large number of public officials may get higher salaries without doing any work. On the other hand, people who may work are paid less. In such situations, people who earn less are tempted to indulge in corrupt practices. These affect the norms of official conduct of public officials and which in turn affects the economic sub-system of a prismatic society.

11.5 SUMMARY

Riggs' ecological approach and Sala's model are indispensable for studies in comparative and development administration. It has helped in understanding the functioning of administration from environmental and developmental perspectives. Through an interdisciplinary approach, it has helped in understanding the different dimensions of administration in developing countries. There is no doubt that Riggs is one of the most innovative theory builders in Public Administration. Chapman has rightly remarked that Riggs's approach and models may be considered sophisticated tools for describing and diagnosing administrative situations.

11.6 EXERCISES

1. Explain the ecological approach of Fred Riggs?
2. Explain the various models developed by Fred Riggs?

11.7 REFERENCES

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Prismatic Society, Houghton Mifflin Co., Boston, 1964

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UNIT-12: INNOVATION AND ENTREPRENEURSHIP: PETER DRUCKER

Structure

12.1 Objectives

12.2 Introduction

12.3 Early Life

12.4 Seven Lessons from “Innovation and Entrepreneurship” By Peter F. Drucker

12.5 Administrative Ideas of Drucker’s

12.6 Criticisms of Peter Drucker

12.7 Summary

12.8 Key Terms

12.9 Exercises

12.10 References

12.1 OBJECTIVES

After going through this unit, you will be able to know:

- The Early life of Peter Drucker
- The Concept of Innovation
- The Concept of Entrepreneurship

12.2 INTRODUCTION

Peter Drucker (1909–2005) was an Austrian-born American management consultant, educator, and author, often referred to as the "father of modern management." His influential work has left an indelible mark on the field of management and leadership. Drucker's insights have been instrumental in shaping organizational theory, business management practices, and the development of management education. Here's an introduction to Peter Drucker Peter Ferdinand Drucker was born on November 19, 1909, in Vienna, Austria. He earned a doctorate in international law and public law from the University of Frankfurt in Germany. Drucker, of Jewish descent, left Germany in the early 1930s due to the rise of the Nazi regime.

12.3 EARLY LIFE

Peter Ferdinand Drucker (Father of Modern Management) was born in Vienna, Austria and had schooling at the Doubling Gymnasium. He commenced studies at the University of Hamburg but transferred to the University of Frankfurt where he obtained a Doctorate in Public and International Law in 1931. He worked as a journalist in Germany but fled to England when Adolf Hitler rose to

power in 1933. He remained in England until 1937, when he moved to the United States to work as an adviser to British banks and as a foreign correspondent for several British newspapers; he became a U.S. citizen in 1943. He was professor of management at the New York University (1950–71) and professor of social science and management at the Claremont Graduate University (1971–2005).

Peter Drucker came into prominence with the publication of “The New Society”, He has published more than thirty books, which include studies of Management, studies of socio-economic policies and essays. His first book was The end of economic man (1939), The future of industrial man (1942), The concept of Corporation (1946), The practice of management (1954) . Later he published The Effective Executive (1985). He focused on personal effectiveness and changes in the direction of the 21st century. In 2002 the society of the future was published.

Peter Drucker is considered as the Management guru to which he devoted more than 60 years of his professional life. He was a consultant, educator, author, professor, economist, writer and social ecologist. whose writings contributed to the philosophical and practical foundations of the modern business corporation. He was also a leader in the development of management education, and he invented the concept known as management by objectives (MBO).

12.4 Seven Lessons From “Innovation and Entrepreneurship” By Peter F. Drucker

Innovation involves finding a new and better way of doing something. Much of our modern society is based on innovations that have occurred in the past that provide us with the standard of living we enjoy today. Entrepreneurship and innovation are companion terms. Entrepreneurship involves looking for a new innovation and taking advantage of it. Peter Drucker is a leading authority on entrepreneurship and innovation. The seven principles of innovation and Entrepreneurship developed by Peter Drucker are explained below.

1. The unexpected - An unexpected success, an unexpected failure or an unexpected outside event can be a symptom of a unique opportunity.

2. The Incongruities- A discrepancy between reality and what everyone assumes it to be, or between what is and what ought to be, can create an innovative opportunity.

3. Process need - When a weak link is evident in a particular process, but people work around it instead of doing something about it, an opportunity is available to the person or company willing to supply the missing link. However, in order to be effective, a process need must be understood, there has to be some sort of knowledge to do the job required, and lastly, the solution must fit the way people do the work and want to do it.

4. Market structures - The opportunity for an innovative product, service or business approach

occurs when the underlying foundation of the industry or market shifts.

5. Demographics - Changes in the population's size, age structure, composition, employment, level of education and income can create innovative opportunities.

6. Changes in perception, mood and meaning- Innovative opportunities can develop when a society's general assumptions, attitudes and beliefs change.

7. New knowledge - Advances in scientific and nonscientific knowledge can create new products and new markets.

12.5 Administrative ideas of Drucker's

Drucker had developed many ideas and conceptualized on different aspects of management theory and administration. The key theoretical contributions of Peter Drucker are in the areas of business management and administration are as follows:

1. Nature of Management
2. Management Functions
3. Management by objectives
4. Federalism
5. Organisation Structure
6. Organizational Changes:

- 1. Nature of Management :** Peter Drucker is against bureaucratic management & he emphasized the management with creative & innovative characteristic. Main object of management is lead towards innovation. It includes development of new ideas with old one for betterment of organization.

He has treated management as a discipline as well as profession. As a discipline, management has its own tools, skills, techniques and approaches. However, management is more a practice rather than a science. Thus, Drucker may be placed in 'empirical school of management'.

While taking management as a profession. Drucker does not advocate to treat management as a strict profession but only a liberal profession which places more emphasis that managers should not only have skills and techniques but should have right perspective putting the things into practice. They should be good practitioners so that they can understand the social and cultural requirements of various organisations and countries.

- 2. Management Functions:** According to Drucker, management is the organ of its institution. It has no functions in itself, and no existence in itself. He sees management through its tasks.

Accordingly, there are three basic functions of a manager which he must perform to enable the institution to make its contribution for:

- a) Management comes into existence for specific purpose whether it is hospital, educational institute, transport, etc.
- b) Making work productive & workers achieving.
- c) Managing social impacts and social responsibility.

Apart from these there are several functions of management such as: setting of objectives, decision making, motivation, etc. It covers eight areas such as innovation, productivity, physical resources, financial resources, profitability, and managerial performance, attitude of management & public responsibility of management.

3. Management by objectives (M.B.O): Management by objectives (MBO) is regarded as one of the important contributions of Drucker to the discipline of management. He introduced this concept in his book *The Practice of Management* in 1954. MBO includes method of planning, setting standards, performance appraisal, and motivation.

Management by objectives is the process of defining specific objectives within an organization that management can convey to organization members, then deciding how to achieve each objective in sequence. An important part of MBO is the measurement and comparison of an employee's actual performance with the standards set. Ideally, when employees themselves have been involved with the goal-setting and choosing the course of action to be followed by them, they are more likely to fulfill their responsibilities.

Process of M.B.O.: The M.B.O approach is result oriented approach & based on the idea of effective participation of all the members for achieving objectives. It includes following **Five steps:-**

1. Review organizational goal
2. Set worker objective
3. Monitor progress
4. Evaluation
5. Give reward

Setting organisational objectives is the first step in initiating management by objectives. These objectives should be in line with the organisation's vision and mission statement. Once goals are determined by supervisors or top management, then these goals must be communicated through

all channels to subordinates, operational staff, and all other levels. In short, the objective setting must be according to the mnemonic S.M.A.R.T which means:

- *Specific*: Target a specific area for improvement
- *Measurable*: Quantify or suggest an indicator of progress
- *Assignable*: Specify who will do it
- *Realistic*: State what results can realistically be achieved, given available resources
- *Time-bound*: Specify when the result(s) can be achieved

According to MBO, the objectives must be informed to the employees at all levels. This enables the employees to understand their roles and responsibilities. Communication is another important aspect in this step. High performing employees should be given positive feedback, which is reinforced in the form of rewards.

The objectives need to be measured on a regular basis to ensure that the work is being done keeping the objectives in mind. The detection of problems must be done in advance so that the problem could be prevented or easily sorted. In MBO management, each objectives has sub-objectives and so on. The managers must motivate and encourage the employees to complete the sub-objectives.

This is an important aspect of management by objectives. A comprehensive evaluation system must be in place. Employees must be given honest feedback, and high performance needs to be rewarded.

4. **Federalism:** Drucker has advocated the concept of federalism. Federalism refers to centralised control in decentralised structure. A Decentralised structure goes far beyond the delegation of authority. It creates a new constitution and new ordering principle. He has emphasized the close links between the decisions adopted by the top management on the one hand and by the autonomous unit on the other.

This is just like a relationship between federal government and state governments. In a federal organisation, local managements should participate in the decision that set the limits of their own authority. Federalism has certain positive values over other methods of organizing, these are as follows:

- It allows the top management to focus on the important functions;
- It defines the roles and responsibilities of the employees;
- It sets a benchmark to calculate the success and efficiency of the employees.

- It helps to resolve the problem of continuity through giving the managers of various units education in top management problems and functions while in an operating position.

5. Organisation Structure: Drucker has decried bureaucratic structure because of its too many dysfunctional effects. Therefore, it should be replaced. There are three characteristics of an effective organisation structure as explained below:

- The institution must be structured to achieve maximum performance;
- It should contain least possible number of managerial levels;
- It must be responsible for the testing and training of future managers.

There are three aspects in organising that are undermentioned:

- **Activity analysis** explains the work that has to be done, what kind of work needs to be done, and what importance needs to be given to the work.
- **Decision analysis** determines or decides at which level a decision can be made.
- **Relation analysis** assists in defining the organisational structure.

6. Organizational Changes: Drucker has visualised rapid changes in the society because of rapid technological development. Though he is not resistant to change, he feels concerned for the rapid changes and their impact on human life. Normally, some changes can be absorbed by the organisation but not the rapid changes.

Since rapid changes are occurring in the society, human beings should develop philosophy to face the changes and take them as challenges for making the society better. This can be done by developing dynamic organizations which are able to absorb changes much faster than static ones. Drucker's contributions have made tremendous impact on the management practices.

12.6 CRITICISMS OF PETER DRUCKER

There is apparent social conflict in a society wherein the worker's knowledge has started to have a bearing on society. What production would be the result of service and the non-knowledge worker would stand in the face of a society driven by knowledge? Thus, the pertinent challenge facing the knowledge society would be to provide dignified, decent jobs with income to non-knowledge workers. In 1987, The Wall Street Journal looked into a few of his lectures and found that he occasionally twisted the truth.

Furthermore, despite Drucker's reputation for foresight, his predictions were not always accurate. He prophesied, for example, that Washington would replace New York as the financial hub of the United States.

Others contend that "management by objectives," one of Drucker's central ideas, is faulty and has never been adequately tested. Dale Krueger, a critic, claimed that the approach is challenging to adopt and that, to achieve their objectives, businesses frequently end up placing too much emphasis on control rather than encouraging creativity. General Motors was condemned in Drucker's famous book *Concept of the Corporation* even though it was the most prosperous company in the world at the time.

12.7 SUMMARY

- Peter Drucker was the first to depict management as a distinct discipline after F. W. Taylor and Henri Fayol. He is famous for his innovative thinking in the ways of business and organizational management. His work and writings turned management theory into a thoughtful and developing curriculum among sociologists. He participated in nearly every aspect of management theory development.
- MBO comprises motivation, performance appraisal, setting-up of standards and method of planning of employees related to an organization. According to this theory, the performance of employee is measured as compared to distinctive standards for the job. And the general outcome
- of the theory explain that, if employees help adjust those standards they will be more likely to fulfill them.
- Drucker is against bureaucratic management and has emphasized management with creative and innovative characteristics. The basic objective of management is to read towards innovation. The concept of innovation is quite broad. It may include development of new ideas, combining of old and new ideas, adaptation of ideas from other fields or even to act as a catalyst and encouraging others to carry out innovation.
- According to Drucker, a manager has to perform several functions: setting of objectives, making, organizing and motivating. Drucker has attached great importance to the objective setting function and has specified eight areas where clear objective setting is required. These are: market standing, innovation, productivity, physical and financial resources, profitability, managerial performance and development, worker performance and attitude and public responsibility.
- Interpersonal relations exert a strong influence on the decision-making process in the organization. Strained relations between two individuals are likely to lead to blockages in

communication and imperfect flow of data and information. Organizational hierarchy, from this point of view, may in certain situations be an impediment to rational decision-making.

12.8 KEY TERMS

Matrix organizational structure: A company structure in which the reporting relationships are set up as a grid, or matrix, rather than in the traditional hierarchy. In other words, employees have dual reporting relationships generally to both a functional manager and a product manager.

MBO (Management of Business Objectives): A management practice which aims to increase organizational performance by aligning goals and subordinate objectives throughout the organization.

Self-actualization: This involves fulfilling your potential and becoming all that you can be

12.9 EXERCISES

1. Evaluate the role of Peter Drucker in the changing scenario of modern management.
2. What do you understand by MBO? Discuss the benefits accruing from MBO in terms of an organizational structure.
3. List the two circumstances under which learning occurs?
4. Give three advantages and disadvantages of MBO.

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BLOCK-3
PUBLIC POLICY AND MAJOR APPROACHES IN PUBLIC
ADMINISTRATION

Unit-13: Public Policy Concept and Approaches

Unit-14: Public Policy: Formulation Implementation and Evaluation

Unit-15: New Public Administration, New Public Management, New Public Service
Approach

Unit-16: Good Governance, Feminist Perspective in Governance

UNIT-13: PUBLIC POLICY: CONCEPT AND APPROACHES

Structure

13.1 Objectives

13.2 Introduction

13.3 Meaning of Public Policy

13.4 Approaches to Public Policy

13.5 Summary

13.6 Exercises

13.7 Referenc

13.1 OBJECTIVES

After going through this unit, you will be able to know:

- Definition and Concept of Public Policy
- Approaches to the Study of Public Policy

13.2 INTRODUCTION

Public Policy is as old as Political Science and Public Administration. But the concept of Public Policy as an academic pursuit emerged in the late half of twentieth century and since then it has been acquiring new dimensions. Since the beginning the studies on public policies were dominated by researchers and students of both Public Administration and Political Science. Public administration was to some extent preoccupied with the activities of administrative machinery, their structures and their success in achieving their targets/goals. It hardly recognized the role of organizations that played towards the formulation of policies as one of its main concerns. Yet the policy is an important element of the administrative process. Policy implies a decision as to what should be done and how, when it should be done. In the words of Paul Appleby “the essence of public administration is policy making”. Public Policy is concerned with the pattern of actions directed at social problems or goals and considerable progress has been in understanding policy content and processes

13.3 MEANING OF PUBLIC POLICY

The policy is the government's course of action to achieve the desired ends. Public Policy includes whatever government intends to undertake or not to undertake. As said by Thomas dye, policy can be defined broadly as "whatever government choose to do or not to do". In other words Public Policies are the governmental rules and programmes, considered individually and collectively, formulated for the purpose of affecting positive change. Public Policy is basically a set of rules and regulations set forth that the public law is expected to adhere to. The term Public Policy always refers to the actions of the government and the intentions that determine these actions.

There are numerous definitions of Public Policy. Following are some examples.

According to Brooks, "Public Policy is the broad framework of ideas and values within which decisions are taken and action, or inaction, is pushed by governments in relation to some issues or problems".

Marshall Dimock defines it as "consciously acknowledged rules of conduct a guide of administrative decisions".

According to Frederich, Public Policy is "A proposed course of action of a person, group or government within a given environment providing obstacles and opportunities which the policy was proposed to utilise and overcome in an effort to reach a goal or realize an objective or purpose".

Dodd, in a similar vein, defines Public Policy as "commitment to a course or plan of action agreed to by a group of people with the power to carry it out".

Daneke and Steissemphasise the available alternatives to Public Policy and regard it as a broad guide to present and future decisions, done in light of the given conditions from a number of perspectives; the actual decision or set of decisions designed to carry out the chosen course of actions – a projected programme consisting of desired objectives (goals) and the means of achieving them.

James Anderson defined the Public Policy as a course of action followed by an actor or set of actors to deal with a public problem.

Some texts define Public Policy as simply "what government does" others say that it is the stated principles which guide the actions of the government. Public Policy can be conceptualised as a purposive and consistent course of action produced as a response to a perceived problem of a constituency formulated by a specific political process, and adopted, implemented, and enforced by

a public agency. William Jenkins offered more complex and more conceptualized definition. According to him Public Policy is a “set of decisions connected together made by a policy actor or by a set of actors, referring to selecting objectives, and means and reaching them in a specific situation in which these actors should, in principle have the power to make these decisions.

13.4 APPROACHES TO THE STUDY OF PUBLIC POLICY

The Group Approach

The Group Theoretic Model sees policy-making as a result of interest groups interacting and compromising. It was proposed by Braybrooke and Lindblom in 1963.

- The model assumes society has many organised interest groups that compete to influence policy for their benefit. Government officials negotiate compromises between groups. Policy outcomes reflect the power of competing interest groups. The policy-making process is incremental, building on past compromises. Rationality is limited as policymakers need more information, abilities and time. They seek satisfactory solutions.
- The model views policy as a compromise between interest group demands. It focuses on groups instead of individual policymakers. It does not assume rationality or optimal policy. Government is a neutral arbitrator responding to group pressures, not making policy alone. The model of policy-making is incremental, not revolutionary. It emphasises negotiation between groups, not a rational process. It considers policy stability and change.
- The model recognises interest groups' role in policy-making. It sees policies as outcomes of negotiation rather than rational choice. It explains policy stability and incremental change.
- The model has weaknesses. It overlooks the role of political parties, elections and public opinion. It assumes all groups have equal access and influence. It does not consider implementation and policy outcomes. It provides a static view of the policy-making process.
- While simplistic, the Group Theoretic Model provides insights into understanding policy-making resulting from bargaining between interest groups. It highlights factors like group mobilisation, compromise and negotiation that often determine policy outcomes. The model serves as a useful complement to more rational perspectives of policy-making.
- The Group Theoretic Model sees policy-making as driven by the interaction and compromises between organised interest groups in society. It provides a different lens for analysing how and why policies take the forms they do.

Elitist Approach

The Elite Groups Model says elite or powerful groups make policies. The choices favour the elite, not regular people.

- The model focuses on rich and powerful people in economics and politics. These elites make the choices. Policies benefit the elites.
- Normal people have little say in choices. The elites keep decision-making power. The elites control knowledge, money, the media and political groups. This keeps them powerful.
- Elite groups make choices through social talks. Formal political groups have less power. Policies sound technical but help the elites.
- This model of policy-making says a small elite group controls political power and choices. Policy choices favour the interests of the elite, not regular people. The choice-making process excludes others.
- The model says elite interests explain policy choices the most. Other factors like public opinion and interest groups matter less.
- Though exaggerated, the Elite Groups Model highlights real things about policy choices. Elite interests, networks and values do shape many choices. Considering this model with others can give a complete view of complex choice-making processes. This model of policy-making helps correct overly democratic views that ignore elite influence.

Also Includes

Incremental Approach

The incremental model is one of the models of policy-making. Policymakers usually follow some models while making policies. The incremental model focuses on small gradual changes over time rather than dramatic changes.

- In the incremental model, policymakers focus on making small changes in the existing policies rather than replacing the whole policy. This is done by adding some bits and pieces to the existing policies. The changes are done step by step, slowly over time. The previous policies act as the base, and new changes are made.
- Policymakers follow this model because big changes are difficult to make. By making small gradual changes, they reduce resistance from various groups. This model needs less information because the changes required are small. Policymakers already have a lot of information about the existing policies.
- The incremental model of policy-making has some advantages. First, it needs less information and analysis. Since the changes are small, policymakers already have enough

data about the existing policies. They need not spend time collecting new data or doing complete analysis. Second, the incremental model is stable. Making small changes preserves the overall stability of policies. Third, it is less risky. Small changes are easier to implement and have fewer chances of failure.

- However, the incremental model of policy-making also has some problems. First, it can lead to unsatisfactory policies. Small changes may not resolve big problems. Critical issues may remain even after many incremental changes. Second, it may stifle creativity. Since the focus is on small improvements to existing policies, it disregards new innovative ideas. Third, it can become slow and isolated from the real world. Incremental changes made internally may lose touch with the outside world, and its rapidly changing needs.
- Now, let us understand the incremental model through an example. Governments often follow this model for tax policies. Instead of introducing completely new tax policies, they make small changes like increasing or decreasing some tax rates. Sometimes they introduce new small taxes instead of overhauling the whole tax system. This helps reduce resistance from citizens and businesses using the existing tax system. However, such incremental changes often fail to resolve fundamental problems in the tax system.
- After understanding the incremental model, we will see how it differs from other models of policy-making. The most common alternative is the rational model. In this model, policymakers take a top-down approach. They thoroughly analyse the problem, develop multiple alternatives and then choose the best alternative. The implementation is done in one go. In contrast, the incremental model follows a bottom-up approach. It makes small changes to existing policies based on limited analysis and information.
- The next difference is in the scale of changes. The rational model involves a large-scale overhaul of policies, whereas the incremental model relies on small step-by-step changes. The rational model needs more information and analysis compared to the incremental model, which relies more on learning from the experience of past changes. Finally, the rational model of policy-making has higher chances of success but also higher risks of complete failure. The incremental model has lower risks but also lower chances of resolving fundamental issues.

Institutionalist Approach

The institutionalist model is one of the models of policy-making. In this model, institutions and organisations play a major role in shaping policies. Policymakers within institutions tend to develop routines, standard operating procedures and norms that influence how policies are made.

- Institutions provide the structure within which policy-making takes place. They determine who the key actors are, what roles they play and how information is processed. Institutional

rules, culture and standard practices constrain the range of policy options that are considered viable. Over time, institutions develop their own rationality that shapes the thinking and behaviour of policymakers within them.

- The role of individuals is downplayed in this model. Institutions are seen as having their own logic that influences individuals as much as individuals influence institutions. Even well-intentioned policymakers conform to the norms and procedures of their institutions. Institutional isomorphism, where organisations become more similar over time, also affects policy choices.
- The institutionalist model focuses on the path dependencies created by institutions. Once an institution adopts a particular policy approach, it is difficult to deviate from that approach later on. Past choices and initial conditions create self-reinforcing dynamics that keep the institution on a particular path. Over time, institutions become committed to established policies and resist new approaches.
- The institutionalist model of policy-making has certain advantages. Firstly, it recognises that policymakers are constrained by the institutions they work for. They cannot make wholly rational or optimal choices. Secondly, it explains why similar policies often emerge from different institutions dealing with the same issue. Institutional norms and routines determine policy choices more than problem characteristics. Thirdly, it highlights the stability and persistence of policies over time.
- However, the institutionalist model also has some limitations. Firstly, it underestimates the role of individuals in bringing about institutional change. Institutional inertia can be overcome by skilled individuals. Secondly, it does not consider the interplay between institutions. Public policy today is made through the interaction of multiple organisations. Thirdly, institutions do evolve and change over time in response to external pressures. They are not immutable structures.
- Now, let us understand the institutionalist model through the example of central banks. Central banks like the Federal Reserve develop institutional policies for setting interest rates. Over time, these policies become rules and standard operating procedures that new members have to follow. Individual preferences play a lesser role. Even when economic conditions change, central banks take time to alter their policies due to institutional inertia. However, over decades, central bank policies have also evolved in response to new demands and challenges.
- After understanding the institutionalist model, we will compare it with the rational and incremental models of policy-making. In contrast to the rational model, where policymakers act rationally, the institutionalist model sees them constrained by institutions. Institutions guide what is considered 'rational'. Unlike the incremental model, which focuses on small

policy changes, the institutionalist model emphasises institutional path dependencies and the persistence of policies. New institutions may adopt rational or incremental approaches. But over time, they develop their own institutional logic of policy-making.

- In conclusion, the institutionalist model of policy-making highlights an important part of reality - the constraining impact of institutions on policy-making.

Rational Approach

The rational model is one way of making policies. In this model, policymakers think in a logical way. They want to find the best policy to achieve their goals based on a good study of problems and solutions.

- In the rational model, policy-making has steps. The first step is defining the problem clearly. Policymakers explain exactly the nature and size of the problem to be solved. The second step is setting clear goals and objectives. Clear goals guide finding the right policy solutions.
- The third step is finding different solutions. Policymakers do research and gather information to develop multiple policy options. The fourth step is analysing these options. Each option is evaluated based on costs, benefits, feasibility, risk and ability to achieve goals.
- The fifth step is choosing the most optimal policy option. This is done based on logical analysis and fair criteria. The sixth step is implementing the chosen option. The final step is evaluating the results to see if the policy achieved its goals. If not, the process is repeated to find new solutions.
- The rational model says following these logical steps will lead to the wisest and most reasonable policy choices. Emotions, politics and personal preferences are kept away from logical analysis. The chosen policy is seen as the 'best' solution, given the available information.

Systems Approach

One models of policy-making is the systems theoretic model. This model sees policies as emerging from complex interconnected social systems. The government, citizens, businesses, and other institutions form a large system. Individual parts interact in nonlinear ways. Events in one area spread through the system.

- In the systems model, policies emerge from self-organisation within the system. There are no top-down decisions by the government alone. Instead, interactions between different parts spontaneously lead to policies. Complex systems cannot be designed from scratch. They self-organise based on interactions between parts.

- The systems model assumes agents within the system behave according to simple rules. Individuals and institutions follow routines. When all parts follow their own simple rules, complex collective phenomena emerge. Policies emerge without being planned by any single entity. The whole system is more than the sum of its parts.
- The model views the policy-making process as dynamic, nonlinear and unpredictable. Small events can trigger big consequences. Interactions between parts are nonlinear. Cause-and-effect relationships are not obvious or direct. This makes accurate predictions difficult. Policies emerge from the chaos and constant change within the system.
- For policy-making, the systems model implies governments should facilitate and enable - not strictly control. Governments can provide guiding principles and promote interactions between citizens, businesses and other institutions. But top-down comprehensive policy design has limits. Policies that emerge from the whole system tend to be sustainable.
- Governments can reform policies by changing how system parts interact - not by directly changing individual parts. Small interventions that improve interactions and information flows can lead to big system changes. Removing barriers and facilitating interactions between citizens, businesses, and government agencies help unstick systems.
- The systems model suggests governments monitor key variables across the system. When variables change outside safe limits, governments can nudge the system back to stability. However, governments cannot micro-manage every part of the system. Policies must emerge from dynamic interactions within the system.
- Overall, the systems theoretic model sees policies as emergent phenomena within complex social systems. Nonlinear interactions between citizens, businesses, government agencies and institutions generate policies over time. Governments have limited ability to design policies directly. Instead, they should create conditions for good policies to emerge from within the system. While imperfect, the systems model provides a useful framework for thinking about policies in a holistic, real-world context.

13.5 SUMMARY

The study of public policy is a relatively new field of inquiry in public administration. Various approaches have been developed for its study. Each approach studies public policy from a different perspective and this enables a comprehensive study of public policy from various dimensions. In this module, four approaches have been discussed: group approach, rational choice approach, incremental approach and policy networks approach. The group approach presupposes that political life is interaction and struggle among diverse societal groups, and politics is characterized by controversy and conflict due to the activity of interest groups. Public policy is the result of negotiations, bargaining

and compromises resulting from competition between diverse groups.

13.6 QUESTIONS AND EXERCISES

1. Discuss the concept and definition of public policy.
2. Discuss the approaches of Public Policy.

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Unit-14: PUBLIC POLICY: FORMULATION, IMPLEMENTATION AND EVALUATION

Structure

- 14.1 Objectives
- 14.2 Introduction
- 14.3 The Concept of Public Policy
- 14.4 Formulation of Public Policy
- 14.5 Implementation of Public Policy
- 14.6 Evaluation of Public Policy
- 14.7 Summary
- 14.8 Exercises
- 14.9 References

14.1 OBJECTIVES

After studying this unit, you will be able to understand

- The Concept of Public Policy
- The Formulation of Public Policy
- The Implementation of Public Policy
- The Evaluation of Public Policy

14.2 INTRODUCTION

Public Policy is as old as Political Science and Public Administration. But the concept of Public Policy as an academic pursuit emerged in the late half of the twentieth century and since then it has been acquiring new dimensions. Since the beginning, the studies on public policies were dominated by researchers and students of both Public Administration and Political Science. Public administration was to some extent preoccupied with the activities of administrative machinery, their structures and their success in achieving their targets or goals. It hardly recognized the role of organisations played towards the formulation of policies as one of its main concerns. Yet the policy

is an important element of the administrative process. The policy implies a decision as to what should be done and how and when it should be done. In the words of Paul Appleby, "The essence of public administration is policy making". Public Policy is concerned with the pattern of actions directed at social problems or goals and considerable progress has been in understanding policy content and processes. (Howlett & Ramesh: 1995)

14.3 THE CONCEPT OF PUBLIC POLICY

To understand the concept of public policy, we need to be clear about what we mean by the adjective "public". In the social sciences, society is extremely difficult to describe and define because of its vastness and the difficulty of contextualizing it. The word public has several meanings. It comes from the Latin word *publicus* (also *poplicus*). It is related to the English word "populus" or (population). In general, the public means a mass population ("people"). Here it means government. Public policy, therefore, simply means government policy formulated in a political context. Public order is a matter of common interest. They concern civil or public affairs, official or state affairs. One way of defining what is public is to distinguish between the public sphere and the private sphere. Publicity has become a necessity as smaller associations with a limited role have been recognized as private and coordinate their activities and establish order.

Like society, the idea of politics is difficult to grasp. These can be goals, tasks, objectives, procedures and social values. Hogwood and Gunn (1984) listed ten uses of the term politics: a camp label; Expression of the desired facts; concrete proposals; government decisions; formal approval; plan; Exit; Result; theory or model; and the process. In general, the term political was more limited to the direction and course of action, which includes policies and conduct. Ayyar (2009) thought that there is a difference in public policy. Whenever he focuses on the state, it is assumed to have its uniqueness; the policy as such would have far-reaching reach and impact; there are many actors and considerations with many external influences. Thomas Dye (1987) was correct in his assessment that "...whatever government's decision to do or not to do" is a matter of public order.

It can be said that public order is a wilful act in pursuit of ends set by those in power and authority. It shares some common features: a set of choices; defined procedures and approval levels; Relevance; Rationality, and organizational and personnel policy. From a general perspective, it has been described as a process of deciding who gets what, when, where and how. Gerston (2008) identifies four factors that require public policy: outreach (participants); intensity (the extent to which people are affected); Duration (how long the issue, problem, or challenge affects people); and resources (a set of terms to be published). Politicians such as Jenkins, Rose, and Anderson argue that public policy is best understood in terms of processes. In fact, according to Gilliat (1984), political decisions are not limited to a top organizational level or an initial phase, but to something fluid and ever-changing.

Policy refers to the plan of action proposed by an individual, group, institution, or government to achieve specific goals in a specific environment. Public policies are formulated and implemented by government agencies and officials. You are as old as the government. They are formulated and implemented to meet the diverse needs and problems of people. For this reason, Paul Appleby sees decision-making as the essence of public administration.

There is a close relationship between politics and policy. The policy-making process is a part of politics and political action. Political considerations and decisions lead to the emergence of policies. Policies have extensive influence on the minds of people. Therefore, policy-making and implementation determine the fate of the government, particularly in democratic countries.

Public policy is the result of concerted and collective actions of government over sometime. Its formulation and implementation entail a well-planned course of activities; and a close collaboration between various governmental agencies.

Meaning of Public Policy

The policy is the government's course of action to achieve the desired ends. Public Policy includes whatever government intends to undertake or not to undertake. As said by Thomas Dye, policy can be defined broadly as "whatever government chose to do or not to do". In other words, Public Policies are the governmental rules and programmes, considered individually and collectively, formulated to affect positive change. Public Policy is a set of rules and regulations set forth that the public law is expected to adhere to. The term Public Policy always refers to the actions of the government and the intentions that determine these actions.

There are numerous definitions of Public Policy. Following are some important definitions of public policy.

Brooks: "Public Policy is the broad framework of ideas and values within which decisions are taken and action, or inaction, is pushed by governments concerning some issues or problems".

Marshall Dimock: public policy as "consciously acknowledged rules of conduct a guide of administrative decisions".

Richard and Baldwin: Policy as —formulation of rules, norms and prescriptions intended to govern the subsequent decisions and actions of government".

Dodd and Michelle: "Public policy implies a commitment to a course or plan of action agreed to by a group of people with the power to carry it out".

By discussing the above definitions, we can say Public Policy is what government decides or chooses to do and is the relationship of the government units to the specific field of the political environment in a given administrative system. Public Policies are goal oriented. To attain the objectives which, the government has in view for the ultimate benefit of the masses in general, the Public Policies

are formulated and

implemented. These are value-laden and arise as sequels of the programmes of the government in action overtly. Public Policy is a pattern or course of activity of the governmental officials and actors collectively rather than being termed as their discrete and segregated decisions. Public Policy is positive in the sense that it depicts and concern of the government and involves its action to a particular problem on which the policy is made.

Nature of Public Policy

Whenever we need to discuss the nature of a concept or a term, there has to be a focus on the attributes or constituents of it. A large number of related aspects have to be considered while dealing with the nature of public policy. Since it is inclusive of public-private debate, plan, programme, project, policy analysis, policy advocacy, and decision, therefore, we have to understand each one of them. Public policy is crucial for the development processes of a country and is a collective action for the fulfilment of the needs and aspirations of the people at large.

- Public policy is a goal-oriented and result-oriented statement. It involves spelling out strategy and purposive actions to attain the objectives of the government with the ultimate aim of promotion of public interest.
- Public policy has a futuristic orientation. It is directed towards the future which may be immediate or long-term.
- Public policy has the sanction of law and authority behind it. Its legally coercive quality is accepted as lawful and binding by the citizens. This quality of public policy makes it distinct from the policy of a private organization.
- Public policy is dynamic in the sense that it is continuously formulated and re-formulated in response to the requirements of the environment and time.
- Public policy may be general or specific, broad or narrow, simple or complex, explicit or implied, discretionary or exhaustive, and qualitative or quantitative.
- Public policy may be positive or negative. Positively, it depicts the concern of the government and involves obvious governmental action to deal with a particular issue. Negatively, it involves a decision by governmental officials regarding not taking action on a particular issue.
- Public policy can take diverse forms like laws, ordinances, court decisions, executive orders, administrative rules and regulations etc.
- Public policies are of various types. They may be deliberate, appealed, implied, externally imposed, value-laden, value-free, macro, micro, substantive, regulatory, distributive, or redistributive.

14.4 FORMULATION OF PUBLIC POLICY

Policy Cycle

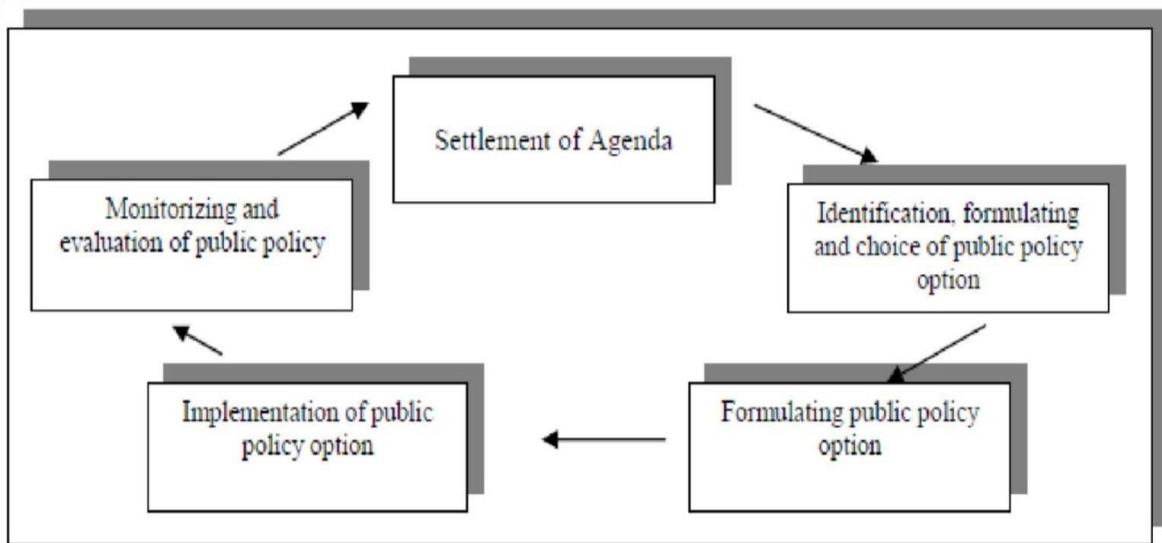
The formation of public policy is shaped through several stages. In each stage, there are multi-interaction involving more than one actor and components. The notion of a policy cycle, prominent in the classical view, has its origin in the systems theory and the pioneering work by David Easton on political systems. May and Wilda Sky (1979) described a policy process as comprising of (1) agenda setting, (2) issue analysis, (3) implementation, (4) evaluation, and (5) termination. Similarly, Brewer and de Leon (1983) based their understanding of the policy process on a series, which they define as (1) initiation, (2) estimation, (3) selection, (4) implementation, (5) evaluation, and (6) termination. Hogwood and Gunn (1984) also envisage a cycle: issue search or agenda setting; issue filtration; issue definition; forecasting; setting objectives and priorities; options analysis; policy implementation; evaluation and review; and policy maintenance, succession or termination. According to Colebatch (1998), the policy cycle imagines the policy process as an endless cycle of policy decisions, implementation and performance assessment. Howlett and Ramesh (2003) conceive of a similar cycle but with more steps: agenda setting (problem recognition); policy formulation (proposal of a solution); decision-making (choice of a solution); policy implementation (putting the solution into effect); and policy evaluation (monitoring results).

The policy cycle framework takes into account the feedback between different elements of the policy process. Therefore, it draws a more realistic picture of the policy process than earlier stages models. Under real-world conditions, policies are not the subject of comprehensive evaluations that lead to either termination or reformulation of a policy. Policy processes rarely feature clear-cut beginnings and endings. At the same time, policies have always been constantly reviewed, controlled, modified, and sometimes even terminated. Sometimes, policies are perpetually reformulated, implemented, evaluated, and adapted. But these processes do not evolve in a pattern of clear-cut sequences.

Instead, the stages are constantly meshed and entangled in an ongoing process (Frank Fischer, Gerald J. Miller, and Mara S. Sidney; 2006). Hogwood and Peters (1983) suggested the notion of policy succession to highlight those new policies develop in a dense environment of already existing policies. Moreover, policies do not develop in a vacuum but are adopted in a crowded policy space that leaves little space for policy innovation. Instead, new policies (only) 5 modify, change, or supplement older policies, or more likely compete with them or contradict each other. The policy cycle focuses attention on generic features of the policy process rather than on specific actors or institutions or particular substantial problems and respective programs.

This "clumping" of related steps into a sequential order is very useful for analysing public policymaking (as presented in figure 1) but it does not mean that every policy must take every one of these steps in this order.

Figure 1 Policy Process Cycle



14.5 IMPLEMENTATION OF PUBLIC POLICY

Policy implementation is a lengthy process that begins from designing the content of a policy to achieving the results. There are a few important dimensions and essential pre-conditions for a successful policy implementation. The module defines policy implementation and discusses the processes of policy formulation. Further, it draws various dimensions of policy implementation and identifies some of the important conditions for the successful implementation of a policy. Up to the 1970s, policy analysts gave little attention to policy implementation aspects. Implementation research gained significance as many policies have not been implemented well in the mid-1970s.

Policy implementation is an important component of the policy process. It is a lengthy process that begins from designing the content of a policy to achieving the results. Implementation determines the success or failure of a policy (Sabatier and Mazmanian:1989). Petrus and Barnard observed a limitation in understanding the meaning and scope of implementation. According to them, the earlier studies viewed policy implementation merely as an administrative task or choice. It was assumed that, once the policy had been legislated and approved, the implementation process would take place without any further tasks. However, as they argue, this line of thought ignored or glossed over the complexities involved in policy implementation. They recognized the existing ambiguity about the beginning of policy implementation and its ending.

According to Bhuyan, Jorgensen and Sharma policy implementation primarily emphasizes the mechanisms, resources, and relationships that link policies to program action. Policies once adopted are not always implemented as envisioned at the beginning and do not necessarily achieve the intended results. The literature on policy science defined policy implementation in various ways. To begin with, Meter and Hornhold that, “policy implementation encompasses those actions by

public or private

individuals or groups that are directed at the achievement of objectives outlined in prior policy decisions". This definition highlighted two important features of policy implementation: (i) collective effort of public and private individuals such as government, civil society actors and individuals (ii) achievement of the objectives which are laid down in the policy content. In a similar vein, Nakamura and Smallwood understood policy implementation as a process aimed at accomplishing the goals of a policy. They further defined policy implementation as "the set of activities and operations undertaken by various stakeholders toward the achievement of goals and objectives defined in an authorized policy".

Another definition of policy implementation put forward by Petrus and Barnard is the "accomplishment of policy objectives through the planning and programming of operations and projects so that agreed-upon outcomes and desired impacts are achieved". This definition brings added importance to the planning and programming of a policy that is aimed at target achievement. Put together, it is understood that three important elements of policy implementation need attention. First, policy implementation is nothing but achieving the goals of a policy which are designed at the beginning of the policy. Second, policy implementation entails the involvement of various factors such as government, civil society organizations, business groups and individuals. In fact, according to Sabatier and Mazmanian, the second element, that is, the active involvement of various stakeholders is an important pre-condition for successful policy implementation. Third, the planning and programming of a policy are also considered to be critical in the process of implementation. (Mazmanian & Sabatier:1989).

Stages of Policy Implementation

Policy Initiation:

This involves identifying the appropriate policy to be executed and obtaining the approval of the computer policy which touches on several aspects of people's life, broadly seen in the socioeconomic and political spheres.

Organization:

With the knowledge of goals to attain, manpower, the necessary finance, the equipment, machines and other relevant materials are mobilized and assembled into workable units and organisations for the realization of set objectives. The motivation techniques and compensations are harmoniously applied to boost the morale of the workforce towards greater achievements.

Operational Strategies:

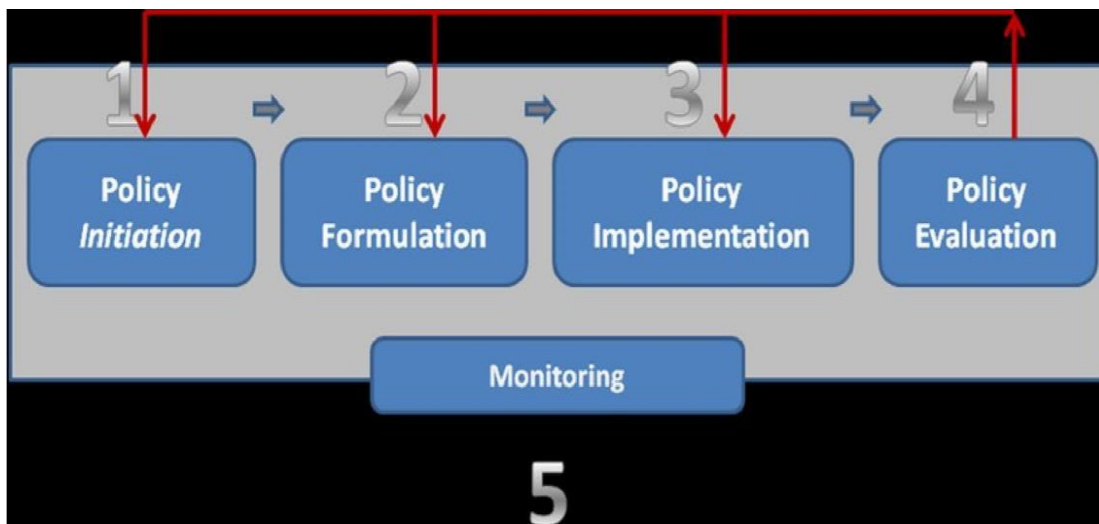
This is the action stage when the known principles and practices of communication, information, utilization, data analysis, coordination's supervision, resources

management and public relations are skillfully managed to accomplish predestined goals.

Feedback Mechanism:

The knowledge of what has happened is the function of the feedback mechanism. This makes a speedy evaluative analysis of the policy implementation activities and reports observations positive or negative to the appropriate quarters. The feedback mechanism is a two-way traffic that communicates not only the roles of the action side of policy execution but also the effects of reactions.

Every nation has its kinds of people, its peculiar political system, its unique environment and its style of managing its affairs.



Stages of Policy Making

14.6 EVALUATION OF PUBLIC POLICY

Policy evaluation applies evaluation principles and methods to examine the content, implementation or impact of a policy. Evaluation is the activity through which we develop an understanding of the merit, worth, and utility of a policy. For a policy maker, policy evaluation is a means of getting the relevant information and knowledge Regarding policy problems, the effectiveness of past, and prevailing strategies for reducing or eliminating the problems to improve the effectiveness of specific policies and considers the special context of politics and economic variables of the Situation.

Nature

Evaluation deals with a wide range of activities:

It deals with a wide range of activities because the duty of the different organs of the government is not only to make the implementation of the policies but also on the other side it makes efforts that how to materialize them. In this process, policy evaluation goes through different processes and methods. 'Evaluation' is a more systematic and scientific attempt

Policy evaluation has to be more reliable, structured and measured. With scientific methods and approaches, it is quite difficult to make policy evaluations.

evaluation is a means of getting the relevant information and knowledge regarding policy problems, In the due course of the policy evaluation process, it has some issues and problems, which is why a sophisticated evaluation can bring the policies more transparent and accepted.

Significance

Evaluation is an essential part of the policy cycle, as it facilitates evidence-based policy design and implementation, increasing the policy's accountability and transparency, demonstrating achievements towards policy objectives and assessing the policy's effectiveness, efficiency, results and impacts. Needless to say that there are different organs of the government, those are more or less influence the decision-making or policy-making process in a political system. On the other hand, they are unable to identify the gaps in policy evaluation and implementation. Without proper gap findings, it is very difficult to go for another policy creation. So as a result, a just and good analysis of gaps in policymaking leads towards a better society in which all can live a suitable life.

Criteria for Policy Evaluation

We believe that three other evaluation criteria are relevant to our analysis: cost-effectiveness, avoidance of international competitiveness impacts and political feasibility. A brief description of each of the criteria follows.

Environmental Effectiveness

This criterion is intended to determine whether and to what extent a policy will contribute to environmental improvement objectives. It is one of the big factors or criteria in policy evaluation and implementation in the changing environment. The behaviour, pattern also affects the system. So environmental effectiveness can be measured directly or indirectly by expected changes in the environmental outcome. (Level of CHF emissions into the environment)

Fiscal Impact

This criterion considers the impact of an environmental policy on a government's Fiscal position. A policy more or less required a perfectly balanced budget. A sound and just economic system leads towards the possibility of a good policy and it affects policy evaluation as well.

Economic Efficiency.

Economic efficiency refers to the optimal allocation of resources among Alternative uses. A decrease in economic efficiency or market failure occurs when prices do not reflect true and complete costs. The relevant example of market failure in this context is the existence of "environmental externalities," which occur when environmental costs are not fully incorporated into prices but are instead borne by society as a whole. A policy change that Adjusts prices to be a better reflection of true costs should correct market failures that would lead to a sub-optimal allocation of resources. This correction will result in an increase in economic Efficiency as the allocation of resources among alternative uses improves.

Fairness

It deals with that how the system distributes burdens and benefits in the process of policy implementation and evaluation. Without fairness and transparency, it is impossible for a good policy. There are many polluters more or less affecting policy evaluation which is why maintaining fairness and transparency is vital for policy evaluation.

Cost-Effectiveness

Through cost-benefit analysis, it means what to be the economic cost associated with a particular policy.

Equity

Thus, refers to the distribution of effects and effort among different groups in society. For example, the criterion or equity implies the question: are costs and benefits distributed equitably among the Different groups? Society must distribute social benefits, privileges, and employment opportunities to all sections of society. Equality should be maintained irrespective of class, caste, religion, place of birth etc.

Public Interest

In a Democratic country like India public interest and demand are at the central point of every issue. Somehow it can be said that the majority should be granted, but the minority should not be eliminated. On this note, we can assume that the common individuals are much more interested in the policy formulation process because if the policy is not in a favor of the people it would create a sense of dissatisfaction which will affect the policy-making as well.

Public Participation/Responsiveness

People's participation means the participation of people in the administrative process. It implies

citizens' effective performance of the administrative machinery. It makes the administration responsive to the needs of. It also says how people are participating in different policy-making processes, wherein in a democratic setup individual plays a crucial role. They have the ultimate authority and sovereignty.

Sustainability

Sustainability is an important concept in the development context. It refers to the continuation of the practices or work done or measures taken under a policy after the termination of current Interventions, under the same or an alternative policy. In more specific terms, sustainability would mean: the maintenance of physical facilities produced (such as roads, buildings, etc.)

Models in Policy Evaluation

There are many models in policy evaluation which they are more or less affected by policymaking and the process of evaluation. While we are talking about models, it studies the structural and functional changes in policy formulation. In evaluative studies, quantitative analysis may be sought to be used primarily for measuring effects and impacts. Quantitative methods in

14.7 SUMMARY

Public policy-making is the principal function of the state. Since its formulation is a complex and dynamic process, no theoretical model is adequate to explain the policy formulation. Public policymaking is a complex, dynamic process whose components make different contributions to it. It decides major guidelines for action directed at the future, mainly by the governmental organs.

These policies firmly aim at achieving what is in the public interest by the best possible means. Public policy can be an authoritative allocation of values by the political system, a slight variation from the previous or existing policy, equilibrium reached out of the competing group struggle, a rational choice or the preference of the governing elite. It can also be a combination of these processes.

In policy formulation, various agencies participate directly or indirectly. The role of governmental agencies is direct while the role of non-governmental agencies is indirect. Some of the agencies, which take part in policy formulation, are the legislature, cabinet, state governments, civil servants, judiciary, boards and commissions, mass media, political parties, pressure groups and the public.

14.8 EXERCISES

1. Explain the meaning and nature of public policy?
 2. Explain the formulation of public policy?
 3. Explain the implementation of public policy?
 4. Explain the evaluation of public policy?
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UNIT-15: NEW PUBLIC ADMINISTRATION, NEW PUBLIC MANAGEMENT, NEW PUBLIC SERVICE APPROACH

Structure

- 15.1 Objectives
- 15.2 Introduction
- 15.3 New Public Administration: Background
- 15.4 Minnow-Brook Conference
- 15.5 Aspect and Features of New Public Administration
- 15.6 New Public Management
- 15.7 History and Development of NPM
- 15.8 Globalization of NPM
- 15.9 Goals and Impact of NPM
- 15.10 Relevance of NPM
- 15.11 Key Terms
- 15.12 Summary
- 15.13 Self Assessment Questions
- 15.14 References

15.1 : OBJECTIVES

After going through this unit, you will be able to know:

- What is New Public Administration
- Aspects of the New Public Administration
- What is New Public Management
- Impacts of New Public Management

15.2: INTRODUCTION

The term new public administration simply means that there was a public administration which was old. It was in that sense because of giving importance to administration rather than public, principles and processes rather than values and philosophy, efficiency and economy rather than effectiveness and service efficiency. The fact behind it is that with the change of major and minor aspects of society the administration of society has experienced changes and the public administration in general has to cope with the changing administrative environment. Otherwise it cannot meet the basic necessities of society. In our analysis of the evolution of public administration, we have already

noted that towards the end of the sixties of the last century people experienced in administration developed, new paradigms of public administration were devised, and these were suggested to meet the new challenges of society. It has been suggested that the administrators must find out new methods of administration, otherwise the administrative structure will not be in a position to keep the momentum of change.

15.3: NEW PUBLIC ADMINISTRATION: BACKGROUND

Whatever may the form of government be, there must exist an administration. This is a fundamental notion and from this comes the notion of new public administration. It is to be noted here that the concept of new public administration first arose in America. Nicholas Henry says that in 1968 some enthusiastic administrators took an initiative to hold a conference for finding out ways which would be capable of dealing with new changes plaguing the administration of American society. These enthusiasts found that the old public administration was “ineffective”. The time was quite crucial. The Second World War (1939-1945) completely changed the economic and social structure and the old administrative system could not deal with this change. So these new enthusiasts proposed that there had arisen the necessity of devising new methods of administration and the American administrators call it new public administration. The public administration of pre-1960s was primarily concerned with the budgeting, efficiency, decision-making and the implementation of decisions. But the events of post-Second World War threw a challenge to these basic concepts or aspects of public administration. It was strongly felt that the whole public administration should be overhauled. The sponsors of new public administration raised some causes such as values, ethics, and development of individual member in the organization. Again, in the seventies of the last century, the concept of justice gained enormous importance. This issue of justice was raised by John Rawls in his famous work *A Theory of Justice*. John Rawls in his new theory of justice suggested that the, social and economic inequalities are to be arranged so that they are both reasonably expected to be everyone’s advantage and attached to positions and offices open to all.

It is further to be noted that in the seventies of the last century liberalism started to assume new meaning and content. The old liberalism was incapable of meeting new challenges that surfaced in society. People wanted more liberty and less state restrictions. The exact role of the state would be like a night watchman. In earlier periods the state was aggressive, so was the public administration. In the new era the power of the state should be drastically curtailed and the public administration must adjust itself with new philosophy i.e. the philosophy of liberalism. The values, ethics,

philosophy of liberalism are not diminished. There must exist bureaucracy. But the purpose and function of the bureaucracy must be to protect freedom and ensure justice. A concept was circulated in the academic market and it is new bureaucracy. Nozick's *Anarchy, State and Utopia* was published in (1974) and John Rawls's *Political Liberalism* (1993) together tossed light on the nature and functions of state and all these considerably influenced the public administration. It is to be specially noted that all these works do not deal with public administration but their centre of attention was modern liberalism and justice. But all these are to be achieved through the instrumentality of state which means administration of states.

Naturally in one form or other public administration comes to be a powerful factor. The new public administration wants to emphasize that it must have its own philosophy, ethics and value system which shall not stand on the persistence of liberalism. Nozick imagined of a new state which will be an anarchical state and it will be the result of liberalism. Thus new public administration is implanted with liberalism, justice and crucial role of state in the attainment of these principles. The new public administration does not rule out the decision-making and the execution of decision as its function. But the periphery of new public administration has expanded very considerably. An important aspect of new public administration is that there shall exist bureaucracy but the top bureaucrats must change their outlook and mentality so that administration can meet the needs of people of present century.

During the period of old public administration there was no existence of globalization and liberalization and, naturally, the public administration that existed before the seventies of the last century was not concerned with these two issues. Henry rightly observes, "Beginning in the 1980s, a number of trends accelerated that harbour the possibility for fundamental change in how we perceive government and its administration. We group these trends under the rubrics of globalization, devolution and redefinition". In the age of globalization and liberalization no state, big or small, can be treated as being separated from the rest of the world. Very few multinational corporations situated in USA and UK are practically controlling the world economy. The public administration and organization of various countries are gradually coming under their influence and these states are rather forced to readjust or remodel their administrative structures to make room for the entry of globalization and liberalization. Not only economy is influenced by globalization, internet, world-wide environment, travel and communication have gradually come under the influence of globalization. All these are challenging the time old administrative systems. The result is public administration is forced to accept the influence of globalization. The impact of globalization in national economy and public administration can be seen in another

sector also. Reluctantly or willingly the governments of many countries and America in particular are abandoning responsibilities towards public administration or administrative responsibilities and this creates a vacuum in the sphere of public administration. But this vacuum cannot continue indefinitely. A new model of public administration was badly needed and it is accepted as „new public administration“.

According to **Fredrickson**, New Public Administration is less generic and more public; less descriptive and more prescriptive; less oriented towards considering what exists to be unalterable and more oriented towards changing reality; less institution oriented and more oriented towards impact on client; less neutral and more normative; no less scientific.

However, the major landmarks towards the growth and emergence of New Public Administration are discussed below.

- 1- The Honey Report on higher education for public service in 1967.
- 2- The Philadelphia conference on the theory and practice of Public administration in 1967.
- 3- The Minnow-brook conference of 1968
- 4- Publication of „Towards a New Public Administration: The Minnow-brook Perspective, edited by Frank Marini, 1971.“
- 5- Publication of Public Administration in a time of turbulence (Edited by D. Waldo in 1971.)
- 6- Publication of Gorge Frederickson’s book on New Public Administration in 1980

15.4: MINNOW-BROOK CONFERENCE

In the theory and Practice, New Public Administration Movement starting from the 1968 Minnow-brook Conference began to assume new shapes and dimensions. The scholars and public administration specialists attending the conference strongly felt that the advancement of new technology and its impact on state activities, change in the outlook of men, the unprecedented expansion of the study of political science have created a situation which requires a change in the subject of public administration. Certain conclusions were framed by the specialists who attended the first Minnow-brook Conference in 1968. Even the relationship between political science and public administration was discussed. The young scholars who attended the conference felt that public administration was no longer an ordinary branch of political science; it can reasonably claim a separate status in the vast field of social science. The second Minnow-brook Conference was held in 1988. It is again a landmark event in the field of new public administration. Landmark in the sense

that the term new public administration was first used by the enthusiasts and energetic scholars of political science and administrator in 1971 and again in 1988 the concept was elaborately discussed in the perspective of several incidents or new atmosphere.

The US President Reagan introduced several administrative measures to curtail the quantum of state intervention in economic and social affairs. It is called New Right theory of Neoliberalism. In the post-Second World War period J.M. Keynes suggested state intervention to fight the economic crisis and this was accepted by large number of experts as an effective means against economic crises. Reagan in the USA boldly advocated that the state has very little to do in economic spheres and, not only in this order to put the state economy in right order the expenditure for social welfare measures must be drastically curtailed or brought down to the minimum level. The Reaganism in USA or Thatcherism in Britain put heavy stress on public administration. There was a clear conflict between public purpose and private purpose or private interest. The state shall perform minimum work for the public. Private persons shall be allowed and encouraged to do those jobs which were previously done by the state. The Second Minnow-brook Conference focused its attention to this very aspect. There was also thematic discussion in the Second Minnow-brook Conference and this changed, to a large extent, the contents and approach of public administration.

The Second Minnow-brook Conference 1988 adopted several proposals relating to public administration. Some of them are:

- (1) It is the duty of public administration to give special emphasis on the normative aspects of administration. The participants at the conference wanted to say that the public administration should not be concerned with what has happened, but what should happen. The classical or old public administration emphasized not on the normative aspects and that was its drawback.
- (2) If public administration starts to pay more attention to normatism or normatic character of public administration as well as ethics, morality or values the public administrators must also be prepared to reformulate the policies and methods of administration. In other words, the accountability of public administrators shall be to normative aspect of public administration.
- (3) Another decision adopted by the conference was human society is constantly changing and the administrators must take into account these changes and they will build up policies in the background of these changes. In other words, the administrative system will change in accordance with the change of society.
- (4) The Second Minnow-brook Conference (1988) suggested that the public administration must aim at the realization of social justice and equality. For greater justice, redistribution of

wealth is essential and the burden of that task inevitably falls upon the administration.

(5) In the past there was a boundary wall between general public and administrators. That wall is required to be abolished. The public administrators ought to be accountable to the public.

This accountability will bring about a change in the whole system of public administration.

At the beginning of the seventies of the last century the American Academy of Political and Social Science held a conference and its chief aim was to discuss the theoretical and practical aspects in great detail. The members of the conference thought the public administration must be released from the confinement of old thought and ideas. To speak the truth the scholars attending the conference were serious about the role of public administration in changing society. The attitude and temperament of the scholars was that the subject must be treated as a separate discipline of clear status and outlook. This outlook helped to build up the foundation of New Public Administration and this has both academic and practical aspects.

15.5: ASPECTS AND FEATURES OF NEW PUBLIC ADMINISTRATION

An important aspect of new public administration is the public administration has achieved considerable progress, so far as its subject matter is concerned. Under such circumstances it should no longer be treated simply as a “branch of political science. The scholars and administrators in unequivocal terms demanded that it should be regarded as a special subject. Its subject matter shall be the various aspects of administration, both public and private. Public administration is a separate discipline. The administrators must be specially trained in order to be good administrators. The methods and subjects of training shall be decided by the public administration. If necessary the public administration shall have freedom from necessary principles of other subjects. Public administration is not a science and for that reason the subject matter of this subject has no scope to be called a science in the sense physics and chemistry are sciences. But the term science shall be used in liberal sense and public administration shall be called science in that liberal sense. In 1970, the National Association of Schools of Public Affairs and Administration was founded. This body demanded that public administration could properly call itself, and increasingly be recognized as a separate self-aware field of study. This approach clearly indicates that numerous developments that took place in the post- Second World War period directly or indirectly came under the aegis of public administration. The subject matter has increased, so to speak, beyond any imagination.

FEATURES OF NEW PUBLIC ADMINISTRATION

The features of new public administration are discussed below.

- **Change and Awareness:** The administration should bring about certain internal as well as external changes so that public administration could be made more relevant to the social, economic, political and technological environment. For this, the administration has to be more elastic and adjustable to the various changes.
- **Client Centricity:** This means that the effectiveness of the administrator should be judged not only from the point of view of the government, but from that of the citizens. If the administrative actions did not improve the quality of life of citizens then they are not effective notwithstanding whatsoever rationality and efficiency they may have.
- **Structural Changes in Administration:** The new public administration approach calls for small, flexible and less hierarchical structures. In any administration, the citizen's administration interface could become more flexible and comfortable. The organizational structure should be in tune with the socially relevant conditions.
- **Multi-disciplinary Nature of Public Administration:** Knowledge from several disciplines and not just one dominating paradigm build the discipline of public administration. The political, social, economic, management and human relation approaches are needed to ensure the growth of discipline.
- **Politics-Administration Dichotomy** since administrators today are involved in policy formulation and policy implementation at all the stages. Dichotomy meaning "a division or contrast between two things that are or are represented as being opposed or entirely different".

15.6: NEW PUBLIC MANAGEMENT

New Public Management (NPM) is a management or development system that is utilized in companies, agencies and countries in their entirety. This system emphasizes the concept that ideas used in the private sector must be successful in the public sector. NPM discussion and investigation of economic and political systems in various countries have helped modernized the public sector and policies on a global spectrum. New Public Management is viewed as a more efficient means of attaining the same product or service; however citizens are viewed as customers and public servers or administrators hold the title of Public Manager. NPM tries to realign the relationship between expert managers and their political superiors making a parallel relationship between the two. Under

NPM, Public Managers have incentive-based motivation and have greater discretion. NPM relies heavily on disaggregation, customer satisfaction, entrepreneurial spirit, and the Rules of the Game. Proper utilizing of the NPM system allows the expert manager to have a greater discretion. Public Managers under the New Public Management reforms can provide a range of choices from which customers can choose, including the right to opt out of the service delivery system completely.

15.7: HISTORY AND DEVELOPMENT OF NPM

The first practices of New Public Management emerged in the United Kingdom under the leadership of Prime Minister Margaret Thatcher. Thatcher played the functional role of policy entrepreneur and the official role of prime minister. Thatcher drove changes in public management policy in such areas as organizational methods, civil service, labor relations, expenditure planning, financial management, audit, evaluation, and procurement. Thatcher's successor, John Major, kept public management policy on the agenda of the Conservative government, leading to the implementation of the Next Steps Initiative. Major also launched the programs of the Citizens Charter Initiative, Competing for Quality, Resource Accounting and Budgeting, and the Private Finance Initiative. A term was coined in the late 1980s to denote a new (or renewed) stress on the importance of management and „production engineering“ in public service delivery, which often linked to doctrines of economic rationalism (Hood 1989, Pollitt 1993). During this timeframe public management became an active area of policy-making in numerous other countries, notably in New Zealand, Australia, and Sweden. At the same time, Organization for Economic Cooperation and Development (OECD) established its Public Management Committee and Secretariat (PUMA), conferring to public management the status normally accorded more conventional domains of policy. In the 1990s, public management was a major item on President Clinton's agenda. Early policy actions of the Clinton administration included launching the National Partnership and signing into law the Government Performance and Results Act. Currently there are few indications that public management issues will vanish from governmental policy agendas.

A recent study showed that in Italy, municipal directors are aware of a public administration now being oriented toward new public management where they are assessed according to the results they produce.

The term New Public Management (NPM) expresses the idea that the cumulative flow of policy decisions over the past twenty years has amounted to a substantial shift in the governance and management of the state sector in the United Kingdom, New Zealand, Australia, Scandinavia, and North America. A benign interpretation is that these decisions have been a defensible, if imperfect,

response to policy problems. Those problems as well as their solutions were formulated within the policy-making process. The agenda-setting process has been heavily influenced by electoral commitments to improve macro- economic performance and to contain growth in the public sector, as well as by a growing perception of public bureaucracies as being inefficient. The alternative generation process has been heavily influenced by ideas coming from economics and from various quarters within the field of management.

15.8: GLOBALIZATION OF NPM

The basic principles of NPM can be the best be described when split into seven different aspects. They are the following:

- Because of its belief in the importance and strength of privatizing government, it is critical to have an emphasis on management by engaging in hands on methods. This theory allows the freedom to manage freely and open up discretion.
- Performance Standards or Methods
- It's important to maintain explicit standards and measures of performance in a workforce. Using this method promotes clarification of goals/intent, targets, and indicators for progression and success.
- Output Controls
- The next point acknowledges the shift from the use of input controls and bureaucratic procedures to rules relying on output controls measured by quantities performance indicators This aspect requires using performance based assessments when looking to outsource work to private companies or groups.
- Decentralizing of Units
- This point suggest that it is more appropriate to shift from a unified management system to a decentralized system in which managers gain flexibility and are not limited to agency restrictions.
- Competition
- This characteristic focuses on how NPM can promote competition in the public sector which could in turn lower cost, eliminate debate and possibly achieve a higher quality of progress or work through the term contacts.
- Private sector Management

- This aspect focuses on the necessity to establish short-term labor contracts, develop corporate plans, performance agreements and mission statements. It also focuses on establishing a workplace in which public employees or contractors are aware of the goals and intention that agencies are trying to reach.
- Reduction
- The most effective one which has led to its ascent into global popularity focuses on keeping cost low and efficiency high. Doing more with less.
- Differences between Public and Private Sectors
- New Public Management draws practices from the private sector and uses them in the public sector of management.
- The New Public Management reforms use market forces to hold the public sector accountable and the satisfaction of preferences as the measures of accountability. In order for this system to proceed, certain conditions, such as the existence of competition, must exist and information about choices must be available.
- Reforms that promise to reinvent government by way of focusing on results and customer satisfaction as opposed to administrative and political processes fail to account for legislative self-interest. Institutions other than federal government, the changes being trumpeted as reinvention would not even be announced, except perhaps on hallway bulletin boards.

15.9: GOALS AND IMPACT OF NPM

According to **Christopher Hood** the New Public Management has seven features or goals

- 1- Emphasis on professional management in the public sector.
- 2- Laying of explicit standards and measures of performance.
- 3- A shift to greater emphasis on output controls rather than procedures.
- 4- A shift to disaggregation of units in the public sector.
- 5- A shift to greater competition in public sector.
- 6- A stress on private sector management practices.
- 7- A stress on greater discipline and parsimony in resource use.

According to **R.A.W. Rhodes**, the New Public Management has the following central doctrines or goals. They are

- 1- A focus on management, not policy.

- 2- The disaggregation of public bureaucracies into agencies which deal with each other on a user pay basis.
- 3- The use of quasi-market and contracting out to foster competition.
- 4- Emphasis on cost-cutting and motto being value for money.
- 5- A style of management which emphasis output targets, limited term contracts, monetary incentives and freedom to manage.

Impacts of NPM

In order to attain these goals the government in different parts of the world have used a number of instruments such as; creation of autonomous public organization; reducing the size of government; corporatization of government organizations; reducing budgets and welfare expenditure; reforming civil service structure; performance measurement and evaluation; privatization of public undertakings; decentralization of authority to lower levels; contracting out services to private agencies; promoting openness and transparency in administration; encouraging people's participation in administration and declaration of citizen charter and so forth.

15.10: RELEVANCE OF NPM

The NPM had a great impact in the 1990s on managing and policy making, many scholars believe that NPM has hit its prime importance. Scholars like Frank Dunleavy believe New Public Management is phasing out because of disconnect with “customers” and their institutions. Scholars cite the Digital Era and the new importance of technology that kills the necessity of NPM. In countries that are less industrialized the NPM concept is still growing and spreading. This trend has much to do with a country's ability or inability to get there public sector in tune with the Digital Era. New Public Management was created in the Public Sector to create change in the field of disaggregation, competition, and inducements. Using inducements to produce the maximum services from an organization is largely stalled in many countries and being reversed because of increasing complexity.

The Post New Public Management (PNPM) has advanced to the Digital Era Governance (DEG). Dunleavy believes this new way of governance should be heavily centered upon information and technology. Technology will help reintegrate with the digitalization changes. Digital Era of Governance provides an exceptional occasion for self- sustainability and growth. However, there are various factors that will determine whether or not DEG can be implemented successfully. When countries have proper technology, NPM simply can't compete very well with DEG. DEG does an excellent job of making services more accurate, prompt and remove most barriers and conflicts.

DEG also can improve the service quality and provide local access to outsourcers. New Public Management is often erroneously compared to New Public Administration. The „New Public Administration“ movement was once established in the USA during the late part of 1960s and early part of 1970s. Though there may be some communal features, the central themes of the two activities are different. The main thrust of the New Public Administration movement was to bring academic public administration into line with a radical egalitarian agenda that was influential in US university campuses. By contrast the emphasis of the New Public Management movement a decade or so later was firmly managerial in the sense that it stressed the difference that management could and should make the quality and efficiency of public services. It focuses on public service production functions and operational issues contrasted with the focus on public accountability, „model employer“ public service values, „due process,“ and what happens inside public organizations in conventional public administration. That meant New Public Management doctrines tended to be opposed to egalitarian ideas of managing without managers, juridical doctrines of rigidly rule-bound administration and doctrines of self-government by public-service professionals like teachers and doctors. The table below gives a side by side comparison of the two systems core aspectscharacteristics

New Public Management	New Public Administration
Hands on approach	Hierarchy and rules
Explicit standards	apolitical civil service
Emphasis on Output Control	Internal regulations
Disconnection of units	Equality
Importance of the private sector	Importance on public sector
Increase timing	Stability

15.11: SUMMARY

In summary, New Public Administration seeks to redefine the practice of public administration by incorporating democratic values, social equity, and a more citizen-centric focus. It encourages collaboration, decentralization, and a holistic approach to address the complex challenges faced by contemporary societies. New Public Administration (NPA) is a perspective in the field of public administration that emerged in the late 20th century as a response to the perceived limitations of traditional public administration theories. New Public Management represents a paradigm shift

towards more market-oriented and business-like principles in the public sector. It focuses on efficiency, accountability, and customer satisfaction, drawing inspiration from private sector management practices to improve the overall performance of public organizations.

15.12: KEY TERMS

Citizen-Centric: NPA emphasizes placing the needs and interests of citizens at the center of public administration, ensuring that government actions are responsive to the public.

Social Equity: NPA places a strong emphasis on achieving social justice and fairness in public policies, aiming to reduce disparities and improve the well-being of marginalized or disadvantaged groups.

Professionalism: While emphasizing citizen participation, NPA also stresses the need for a competent and professional public administration workforce to effectively implement policies and programs.

Downsizing: NPM often involves efforts to reduce the size of government through privatization, contracting out, and streamlining operations to enhance efficiency.

Managerialism: NPM is often associated with the adoption of private-sector management practices in the public sector, emphasizing managerial efficiency, accountability, and performance.

15.13: SELF ASSESSMENT QUESTIONS

- What is new public administration? Discuss its basic features.
- What is new public management? Discuss its characteristics.
- Discuss dimensions of New Public Administration.
- Discuss impact of globalization upon new public management.

15.14: REFERENCES

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UNIT-16 : GOOD GOVERNANCE, FEMINIST PERSPECTIVE IN GOVERNANCE

Structure

- 16.1 Unit Objectives
- 16.2 Introduction
- 16.3 Concept Analysis
- 16.4 Features of Good Governance
- 16.5 Feminist Perspective in Governance
- 16.6 Summary
- 16.7 Questions and Exercises
- 16.8 ReferenceS

16.1 UNIT OBJECTIVES

After going through this unit, you will be able to Know:

- Understand what governance is and analyse the concept of good governance
- List the advantages and disadvantages of good governance
- Describe the relation between e-governance and good governance
- Assess the role of decentralization in good governance
- Explain the relevance of citizen's participation in decentralization

16.2 INTRODUCTION

The term 'good governance' refers to the perfect government wherein decisions and laws are made in a just and fair manner. The characteristic features of ideal governance include participation, accountability and transparency. A good government is not only effective and efficient but also impartial and unbiased. It stands by the law and acts according to it. However, ensuring good governance for all citizens is not an easy task for any country. Still, all countries strive to establish good governance, to the best of their abilities. This unit concerns itself with the significance of the concept of good governance and tries to explain it against the background of development, and its relationship with democracy and financial development. You will learn what governance is and what

makes governance good or bad. The benefits and drawbacks of good governance will also be discussed in detail. You will also be able to understand good governance in comparison to e-governance.

16.3 CONCEPT ANALYSIS

What is Governance?

The laws set forth by leaders, within a defined framework of rules, is referred to as governance. It refers to various actions taken and progress made in areas due to which certain practices are established and sustained. It would not be inappropriate to say that the process of governance is one wherein those who rule also possess the power and authority to state or lay down rules, impose them on people, and also ensure that they are adapted suitably. Therefore, governance depends on not just the rules but also the rulers who make the rules. We should know how they both are selected, identified, established and linked to the society. However, within governance, there is good and bad governance too. It is difficult to explain the importance of governance since the meaning of the term itself is unclear or debatable. Good governance is often linked to making the right decisions and implementing them. It is also at times associated with democracy, civil rights and transparency. It is considered to have everything to do with the rule of law as well as the efficiency of public services. Good governance ensures participation and gives importance to consensus, accountability and transparency. Not only is it fair and inclusive, it focuses on effectiveness, efficiency and responsiveness. It strictly adheres to the law ensuring minimum corruption. Good governance takes into consideration the opinions of the minorities and ensures that the weaker and vulnerable sections of the society are given a patient hearing and included in the decision-making process.

Governance and Good Governance: Varying Definitions

Let us look at what some of the definitions of ‘governance’ say:

- According to Kaufman et al, ‘governance’ refers to *the traditions and institutions by which authority in a country is exercised*.
- The World Bank refers to ‘governance’ as the manner in which *power is exercised through a country’s economic, political, and social institutions*.
- According to the UNDP, governance is *the exercise of economic, political, and administrative authority to manage a country’s affairs at all levels. It comprises mechanisms, processes, and institutions through which citizens and groups articulate their interests, exercise their legal rights,*

meet their obligations, and mediate their differences.

The following are the dimensions of governance as stated by the World Bank and Kaufmann, et al.

- In the opinion of Daniel Kaufmann, Aart Kraay and Pablo Zoido-Lobaton, graft, rule of law and government effectiveness are the fundamental elements of governance. In addition, they also state the following dimensions of voice and accountability, political instability and violence, and regulatory burden.
- Property rights and rule-based governance; the quality of budgetary and financial management; the efficiency of revenue mobilization; the efficiency of public expenditures; and transparency, accountability and corruption. – World Bank CPIA indicators. Let us now look at what is good governance according to various sources:
- It is ‘... among other things participatory, transparent and accountable. It is also effective and equitable. And it promotes the rule of law.’ – United Nations Development Programme (UNDP)
- It ‘... encompasses the role of public authorities in establishing the environment in which economic operators function and in determining the distribution of benefits as well as the relationship between the ruler and the ruled.’ – OECD

16.4 FEATURES OF GOOD GOVERNANCE

Let us look at the characteristic features of good governance:

Good governance:

- Is participatory
- Follows the rule of law
- Is transparent
- Is responsive
- Oriented towards consensus
- Ensures equity
- Is effective and efficient
- Is accountable

We will now look at each of these features in slight detail:

- Good governance is participatory: The citizens of any country should possess the right to make decisions, in a direct manner or by using means that are legal, lawful or by taking the help of mediating organizations that are legal and will genuinely look after their interests. However, to ensure such participation, there should be freedom of speech and association. Also, the citizens should have the capacity to participate in a manner advantageous to them.

- Good governance follows the rule of law: All laws related to human rights and legal frameworks should not only be just and fair but implemented in a neutral and unbiased manner.
- Good governance is transparent: Transparency implies free flow of information, and this feature is to be developed or built. All those seeking information can easily access sufficient amounts of it directly. They can easily understand and keep track of processes. Good governance is responsive: All institutions and processes try to ensure that all those involved, that is, the stakeholders are provided services within a reasonable frame of time.
- Good governance is consensus-oriented: Good governance is all for arbitrating a broad consensus on all that is beneficial to the concerned group. Consensus is sought on policies and procedures and other things taking into account the varying interests of people.
- Good governance promotes equity: All citizens, no matter which caste, social level or class they belong to are given equal opportunities to improve or maintain their well-being.
- Good governance is effective and efficient: When the requirements of the people are fulfilled by properly organized processes and institutions, the results are naturally effective, as resources are utilized in the best possible manner.
- Good governance is accountable: All the decision-making bodies whether governmental or non-governmental, whether from the private sector or the civil society organizations can be questioned by the community any time as they are answerable to all the stakeholders. Generally speaking, the accountability of an organization or an institution is bound to be impacted by its decisions or actions. It is not possible to make anybody accountable by force without ensuring that the rule of law is followed and there is transparency in the system.

16.5 FEMINIST PERSPECTIVE IN GOVERNANCE

The emergence of the feminist movement all over the world reflecting the concerns of gender quality and gender justice had its impact on all aspects of human living including social sciences. Public Administration as a discipline cannot remain insulated from this process. Feminism as a theory and as a movement is based on the demand for restructuring the political, economic and social set-up based on gender equality. It promotes women's rights and interests and fights for spaces for women in politics, economy, state, bureaucracy, culture etc. As many of the gender inequalities and injustices have been institutionalised in the laws of the states and public policies reflecting patriarchal practices and values there are demands for an end to these. The public policies must be gender sensitive so also the Public Administration. Feminist movements in the last centuries have found patriarchal policies and laws as sites of struggle for the correction of discrimination against

women. Feminism redefined concepts of power and domination and challenged the hegemony of men over women in the power structures covering from family to state to culture. But there is no unanimity among various groups of feminists. There are radical, liberal, Marxist approaches to feminism. The movements for the empowerment of women vary according to these different approaches and types of feminism.

The feminist movement has a long history and there are different waves, first wave, second wave and third wave. Also, there is a fourth wave. These concentrate on particular issues of women. The First wave of feminism emerged in Western Europe and fought for the property rights and voting rights of women. The Second wave that emerged in the 60s focused on civil rights, education, health, work, child rights, sexual liberation, reproductive rights, the right to abortion etc. it challenged the sociocultural stereotyping of women and advocated for the right of women to work and to a career. The third wave of feminism emerged based on the failures of the second wave. It was radical in its approach and fought for gender equality with a radical approach.

Camilla Stivers is regarded as the initiator of the concept of feminist administrative theory. Her famous work, 'Gender Images in Public Administration', published in 1993 brought a revolution in the administrative theory and approaches. In her words, 'Feminist theorising critiqued the classical liberal state for its marked individualism and the dependence of its clear boundary between public and private spheres on the exclusion of women and women's concerns from political life. The feminist theory offered new ideas about power, the nature of organisations, and leadership and professionalism; it brought to light fundamental ways in which women have shaped society and politics. Yet few of these ideas have made their way into conversations about Public Administration, and defences of the administrative state still show little apparent consciousness that the images of Public Administration on which they rely have gender dimensions or that feminist political theory might have a significant role to play in the legitimacy project.' Her main argument lies in the fact that the images of leadership, management, and Public Administration that have administrative power are gender biased. These ideas are masculine. They perpetuate gender divisions of power and work. They reproduce male hegemony over females. The feminine is excluded from the power structure associated with these concepts. So, Public Administration is masculine. She said, 'It contributes to and is sustained by power relations in society at large that distributes resources based on gender (though not solely on this basis) and affects people's life chances and their sense of themselves and their place in the world.'

She advocates strongly for a 'gender lens' to look at Public Administration to correct the deep-seated gender imbalances and inequalities in the administrative state. If Public Administration is seen through the gender lens, then it will be revealed that public dimensions are gendered, not neutral. The exercise of public power is done in the name of public interest, but the public dimension suffers from the biased historical understanding of the public as a male domain. The private space which is the domestic sphere is regarded as the domain of women. This binary of public and private space is totally gender discriminatory. She deconstructed the gender images of the concepts of leadership, virtue and expertise. Her argument is logical and powerful. 1. The justifications of Public Administration are based on the subordination of women through an assignment of less important jobs to women, 2. Public Administration limits opportunities for women as well as their time to participate in public life, the narratives surrounding expertise are anti-women and based on the idea of subordination of women. Likewise, the images of leadership, visionary, decision maker, the symbol and the definer of reality; all are masculine. Femininity and leadership are contradictory, according to her.

In the words of Martha Nussbaum, 'The relationship between gender and governance has too often been neglected in both theoretical and empirical work. Until very recently, most influential political thought has been built around a conceptual distinction between the 'public' realm of politics, military affairs, and administration, and the 'private' realm of family and domestic life. The public/ private distinction has been thoroughly criticised as being in many ways misleading and untenable. Nonetheless, it continues to influence both theoretical and empirical work, with the result that women's efforts to gain a voice in governance have been ignored.' A feminist approach to Public Administration focuses on identifying gender gaps in administration and then reducing them. Secondly, it advocates for a women-friendly workplace. But the feminist work in Public Administration is negligible and the movement for a radical change in Public Administration in favour of women is also weak.

Another important voice in this regard is Kathy E. Ferguson. She criticised the liberal approach of placing more women in management positions of administration as insufficient. She advocated for feminist discourse in administration based on the perceptions and experiences of women. She was for a non-bureaucratic approach to the organisation and its problems. There are also other feminist scholars like Georgia Duerst-Lahti and Rita Mae Kelly who talked of gender power and sex roles to feminise administration. Carol Edlund discussed feminine leadership style which does not mean

women leadership but alternative leadership different from masculine leadership. This style can be by both men and women. Camilla Stivers's recent book, 'Bureau Men and Settlement Women' studied Public Administration from a gender perspective. It highlights the contributions of women in urban America to Public Administration. However, there is a growth of feminist literature in administration in recent times along with an increased representation of women in administration. Unless the Public Administration is gendered the state and development cannot be inclusive. The positive developments in this regard need to be consolidated and carried further.

16.6 SUMMARY

Every country citizen's priority is the efficient operation of the government. The residents are willing to pay a price for the high-quality services provided by the government, but what is needed is a transparent, accountable, and understandable system of governance that is devoid of bias and prejudice.

To reinstate effective governance in the nation, it is necessary to restructure our national policy to give precedence to the Gandhian principle of "Antyodaya."

India should concentrate on fostering probity in governance, as this will make it more moral. The quest for effective government seems never-ending. Regardless of the nature, structure, or form of a state, it has been a constant problem for rulers since the very beginning of time. The standard has been set, and rightfully so, by Alexander Pope: "For forms of government, let fools contest; 'what's is best administered is best."

It turns out that efficient and effective governance, whether it be in the context of the executive, judiciary, or legislature, necessitates that the institutions, the delivery mechanism they adopt, and the framework of supportive rules, regulations, and procedures continuously evolve in harmony with one another and response to the changing context. It puts the debate over government in a context that is unique to the era and level of development in any given society. The need for ongoing adaptation of governance processes is also demonstrated by the shifting roles and responsibilities of the government, the market, and civil society about one another. It is only reasonable to expect that the state will give way to the market and civil society in many areas where it has previously had a direct but inefficient presence as a result of the acceptance of market liberalism and globalisation.

It consists of places where the State, for instance, has produced commodities and services that are also produced in the private sector. In some cases, civil society may currently have stronger institutional capability, but it also incorporates the function of the State as a development driver. A growing number of developmental tasks, as well as tasks that maintain the social order, must be

gradually performed by the market and civil society organisations in tandem with the expansion of markets and the presence of a conscious and responsive civil society. It entails the expansion of the market and the realm of civil society, often at the expense of the State. Additionally, it suggests that the region of their respective overlaps has grown.

16.7 QUESTIONS AND EXERCISES

1. What is Good Governance? Discuss its features.
2. What are the impacts of Good Governance on traditional Public Administration?
3. Discuss the feminist perspective in governance

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BLOCK-4

ADMINISTRATIVE MANAGEMENT

Unit-17: Leadership

Unit-18: Motivation

Unit-19: Communication

Unit-20: Decision Making

UNIT 17: LEADERSHIP

Structure

- 17.1 Objectives
- 17.2 Introduction
- 17.3 Meaning and Definition of Leadership
- 17.4 Types of Leadership
- 17.5 Functions of Leadership
- 17.6 Theories of Leadership
- 17.7 Summary
- 17.8 Key Terms
- 17.9 Self Assessment Questions
- 17.10 References

17.1: OBJECTIVES

After going through this unit, you will be able to know:

- What is leadership
- Various type of leadership
- Functions and theories of leadership

17.2: INTRODUCTION

According to P.H. Appleby “The heart of administration is the management of programmes designed to serve the general welfare. Management is vital to each and every type of organization may it be public or private, governmental or business due to its dealing with a natural function of human behavior”. The fundamental characteristic of individual or human behavior is the fulfilment of its objectives and goals. The 21st century is the gift of individual and organizational management in which the material existence, human endeavor and technological capacity are fully utilized. It is the brain of an enterprise. An efficient team of managers can lead an enterprise towards growth and prosperity. Briefly saying management is concerned with planning, executing and reviewing.

17.3: MEANING & DEFINITION OF LEADERSHIP

Leadership has gained a very important place in the administrations in the present scenario as there is constantly increase in the public sector organizations. Each and every organization needs

a competent leadership for its growth, development and prosperity. It is indispensable for the successful functioning of an organization and attainment of its goals and objectives. It may be defined as a position of power held by an individual in a group which provides him with an opportunity to exercise interpersonal influence on the group for organizing and leading their efforts towards certain goals. Leadership is an attribution that people make about other individuals. People tend to characterize leaders as having the following traits: intelligence, outgoing personality, verbal skills, aggressiveness, consistency, determination. They are expected to have the capacity to motivate others to action. The manner in which leaders accomplish this varies as leaders and their styles vary greatly. Successful leadership is correlated to the compliance of followers. In a reflection on leadership Winblad (1999) states that leaders are decisive. They are forced to make a lot of decisions quickly, and they learn the fine distinction between decisive and authoritarian—a skill in which the relative inexperience of the leader is most obvious. Leaders should create an environment where there is honesty, inspiration and realistic goal setting. Communication and clarification of goals should be continuous. Some leaders develop their team and foster loyalty by making members feel that all the accomplishments realized are a result of a collective effort.

Some leaders are adept at allowing followers to come to their own decisions and develop on their own. They may provide very little direction and exercise little authority over the group. There are other types of leaders, who may be referred to as democratic, who provide directions, allow the group to arrive at their own decisions, offer suggestions and reinforce team members' ideas. More specifically, “the leader encourages members to develop goals and procedures, and stimulates members’ self-direction and actualization”. There is also the type of leader who sets the pace, makes all the decisions for the group without their input, and seeks little approval from team members. This type of leader exhibits an authoritative style in which the leader takes full responsibility for the team member’s progress and accepts few suggestions from the team members. So leadership is a process whereby an individual influences a group of individuals to achieve a common goal.

Dimock and Dimock defines “Leadership is not power, dominance, social superiority or anything suggestive of snobbery. Leadership is influence on people not power over them.”

Warren Bennis defines Leadership as “the single defining quality of leaders is their ability to create and realize a vision.”

M.P. Follett defines “A leader is not the president of the organization or head of the department but one who can see all around a situation and understands how to pass from one situation to

another.”

James Rost defines “Leadership is an influenced relationship among leaders and followers who in tend real changes that reflect their mutual purposes.”

Keith Davis defines “Leadership is the ability to persuade others to seek defined objectives enthusiastically.”

Terry defines “Leadership is the activity of influencing people to strive willingly for mutual objectives.”

Mooney defines “Leadership is the form that authority assumes when it enters into process.”

17.4: TYPES OF LEADERSHIP

There are three basic types of leadership and they are Autocratic leadership, Democratic leadership and Laissez faire leadership. The Autocratic or Authoritarian leader includes the “feudal” and “dictatorial” types.

The Democratic or Participative leader includes the “paternalistic”, “participative and development” types.

The Laissez-faire or Free-rein leadership

- 1- **The Autocratic type-** This is also known as authoritarian or directive style of leadership. This type of leader is work centered or leader centered. The entire authority or power is in the hands of the leader. He is all powerful. All the policies are decides and formulates by him. He guides the subordinates and ordered complete obedience from them. The subordinates are not allowed to participates in the decision making process. The subordinates are completely depends upon them and are also not aware about the organizational goals and objectives.

The autocratic leadership type also divided into three sub categories. They are (i) the tough autocrat, who uses heavily negative influences. (ii) The benevolent autocrat, is often referred to as a paternalistic leader. (iii) The manipulative autocrat, who makes the subordinates feel that they are actually participating in decision making process.

- 2- **Democratic type-** Democratic Type of Leadership is also known as participative type of leadership. In this types of leadership the leader allows the subordinates to participate in the decision making process. All the decisions and policies are arrived at through the group

discussions. In this type the communication flows freely and multi-directional. During the era of human relations approach to administration the style became popular.

- 3- **Laissez- faire Leadership-** This is often described as no leadership at all for there is the absence of direct leadership. This is also called Free-rein leadership. In this style of leadership the leader gives complete independence to the subordinates in their operations. He allows them to set their own goals and achieve them. He allows them to set their own goals and achieve them. Here the leader his subordinates to assume responsibility for their own motivation, guidance and control. The free reign leader believes that one who leads the least leads best. The style involves complete freedom for group or individual decision with no or minimum participation of the leader.

17.5: FUNCTIONS OF LEADERSHIP

The functions of leadership in an administrative organization can be discussed in the following manner. Leadership is an abstract quality in a human being to induce others. It is a quality of an individual to persuade others to seek defined objectives unreservedly.

David Bowers and Stanley Seashore divided the function into four types. They are (i) Support- it deals with the behavior that enhances the members feeling of personal worth and importance. (ii) Goal oriented- Leadership functions to achieve the goals of the organization. (iii) Work Facilitation- Leadership believes in the activities of planning, scheduling, coordinating and providing resources and information. (iv) Interactive- Leadership is interactive and encourage group members to develop close and mutually satisfying relationships.

Hicks and Gullet identifies eight functions of a Leader. They are (i) Supplying organizational objectives to the members. (ii) Arbitrating on disagreements among organizational members. (iii) Catalyzing to arouse the subordinate to action. (iv) Suggesting ideas to subordinates. (v) Inspiring subordinates to work effectively towards accomplishment of organizational goals. (vi) Praising subordinates to satisfy their recognition and esteem needs. (vii) Providing security to followers when they face problems. (viii) Representing the organization before others and serving as a symbol of the organization.

Chester Barnard said that a leader performs four functions such as (i) Determination of objectives. (ii) Manipulation of means. (iii) Control of the instrumentality of action. (iv) Stimulation of coordinated action.

Follet said that Leader should perform the three main functions. Such as (i) Coordination (ii) Definition of purpose . (iii) Anticipation

Petter Drucker said the three main functions such as (i) Lifting of man's vision to higher sights.

(ii) Raising of man's performance to higher standards. (iii) Building of man's personality beyond its normal limitations.

Fiedler identified the two functions of leadership such as (i) Directing Group activities (ii)Co-coordinating group activities.

17.6: THEORIES OF LEADERSHIP

Leadership has always attracted a wide range of theorists and thinkers in order to explain the phenomena. There are three theories of leadership such as the Trait Theory, The Behavioural Theory, and Situational Theory

(I) **The Trait Theory**- According to this theory the person becomes a leader because of qualities or traits gripped by him. The theory believes that leaders are born not made. This is also known as the great man Theory of leadership. This theory is advocated by C. Bernard, O. Tead, Millet, Terry, Appleby and Schell. According to them those leaders inherit several favourite traits or qualities by which they are identified in the society. This theory is also criticized as un-universal list of leadership traits, does not indicate the comparative importance of different traits, ignores the need for subordinates, does not recognize the influence of situational factors on leadership etc .It had also no scientific base and empirical validity.

(II) **The Behavioural Theory**-The Trait Theory deals with the civilizations of the leaders whereas Behavioural theory deals with the actions of the individuals. It deals with what the leaders do and how they lead and behave with their subordinates. Their style of communication is different from person to person. The advocates of the theory are K. Lewin, R. Lippit, R. White, Harris, Burt.

(III) **The Situational Theory**:- When the trait and behaviouralists failed to give a proper theory of leadership, there emerged a theory of situational factors as the researchers turned their attention towards the situation. The leadership is influenced by situational variable and differing from situation to situation. According to the theory leadership is multidimensional. The supporters of the theory are R. Tannenbaum and W. Schmidt.

17.7: SUMMARY

Leadership is the ability to influence, guide, and inspire individuals or groups toward the achievement of common goals. It involves the capacity to make decisions, provide direction, and motivate others to work collaboratively. Effective leaders exhibit qualities such as vision, integrity, empathy, communication skills, adaptability, and the ability to inspire trust and confidence. Leadership can be situational, with different styles and approaches depending on the context and the needs of the team or organization. It is not solely tied to a formal position of authority but can emerge

at various levels within a group. Successful leaders often foster a positive and inclusive organizational culture, encourage innovation, and focus on continuous improvement. Leadership is a dynamic and evolving concept, with various theories and models aiming to understand and enhance the effectiveness of leaders in different settings.

17.8: KEY TERMS

- **Vision:** The ability to articulate a compelling and inspiring vision for the future, setting the direction for the team or organization.
- **Influence:** The capacity to affect the thoughts, feelings, and behaviors of others, persuading them to align with the leader's goals and objectives.
- **Integrity:** Demonstrating honesty, ethical behavior, and consistency in actions, fostering trust and credibility among followers.
- **Adaptability:** Being flexible and open to change, adjusting leadership style and strategies based on the evolving needs of the team or organization.
- **Courage:** The willingness to take calculated risks, confront challenges, and advocate for what is right, even in the face of adversity.

17.9: SELF ASSESSMENT QUESTIONS

- What is leadership? Discuss different types of leadership.
- Discuss the functions of the leadership.
- Discuss various theories of leadership.

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UNIT18: MOTIVATION

Structure

- 18.1 Objectives
- 18.2 Introduction
- 18.3 Meaning and Definition of Motivation
- 18.4 Features and Implications of Motivation
- 18.5 Types and techniques of Motivation
- 18.6 Theories of Motivation
- 18.7 Summary
- 18.8 Key Terms
- 18.9 Self Assessment Questions
- 18.10 References

18.1: OBJECTIVES

After going through this unit, you will be able to know:

- What is motivation
- Different types and techniques of Motivation

18.2: INTRODUCTION

The term “motivation” is derived from the latin word “movere” meaning “to move”. In the organizational framework motivation indicates a basic Psychosomatic progression. Motivation is the core of management. It is a willingness to expend energy to achieve a goal or reward. It is a utility that ignites a burning passion for action among the human beings of an organization. Motivation connotes a dynamic driving force, which emanates from within. It is an “inner striving condition which activates or moves individual into action and continues him in the course of action enthusiastically”. The term motivation has its origin in the Latin word “movere” which means to move”. Thus, motives are movers to action. Motivation is the process by which behavior is mobilized and sustained in a particular direction. It is in fact impossible to determine a person’s motivation until he behaves or acts. Motivation is a general term that applies to the entire class of drives, needs, goals, and similar forces. A distinction may be made among the words need, incentive, drives, and motive. The need has to be activated which is the function of incentive. An incentive is anything that incites or tends to incite toward a specific goal. Needs compel the individual to do some action so as to satisfy them. However, incentives are external stimuli that give

value to the outcome of the individual behavior. Drives are subconscious, that motivate distinctive individual behavioral patterns. A motive is an inner state that activates, directs, sustains, and stops behavior towards a goal. Goals are desired results towards which behavior is directed.

18.3: MEANING AND DEFINITION OF MOTIVATION

People differ not only in their ability to do, but also in their will to do, or motivation. The motivation of people depends on the strength of their motives. Motives are defined as needs, wants drives, or impulses within the individual. Motives arouse and maintain activity and determine the general direction of the behavior of an individual. Motives are the whys of behavior. They are the reasons underlying behavior. A person may have hundreds of motives. All motives compete and the strongest motive determines the behavior. A motive tends to decrease in strength if it is either satisfied or blocked from satisfaction. Satisfied motives normally do not motivate individuals to further action.

Morgan said “Motivation is a general term referring to behavior instigated by needs and directed towards goals”.

Beralson and Steiner said “A motive is an inner state that energizes, activities or moves and directs or channels behavior towards goals”.

Koontz and O’ Donnel “Motivation is a general term applying to the entire class of drives, desires, needs, wishes, and similar forces that induce an individual or a group of people to work”.

Ferd Luthans, “Motivation is a process that starts with a physiological or psychological deficiency or need that activates behavior or a drive that is aimed at a goal or incentive”.

18.4: FEATURES AND IMPLICATIONS OF MOTIVATION

The characteristics of motivation are

(i) Motivation is personal and internal feeling, because it is a psychological and mental phenomenon of the individual. (ii) It depends upon the behavior of individual. So it is a behavioural concept. (iii) It is a continuous and endless process. (iv) it is optimistic or pessimist by its nature. (v) It is an essential and impartial part of management process.

Implications of Motivation

Motivation is one of the vital factors which determines the capability and proficiency of any type of organization. It is the fundamental characteristics of any organization for the smooth functioning of it. High and improved motivation provides the following advantages such as (A) The performance of motivated employee is greater than the nonperformance employee. (B) Motivation boost the employee to use different factors of production in a systematic and organized way. (C) Good and

qualitative motivation leads to job satisfaction. (D) It also leads to integration and unification of individual employee with the fulfillment of organizational objectives.

18.5: TYPES AND TECHNIQUES OF MOTIVATION

From the above it can be assumed that motivation can be have two types, i.e. positive and Negative.

Positive or Incentive Motivation – Positive motivation includes reward, praise, credit for work done, competition participation, pride, delegation of responsibility, appreciation, pay etc. According to Flipppo „Positive motivation is a process of attempting to influence others to do your will through the possibility of gain or reward.“

Negative or fear Motivation- The fundamentals of negative motivation are based on fear or force. It has certain limitations like punishment, demotion etc. Instead of these limitations the negative motivation has been used to achieve the desires behavior of the individual.

Techniques to achieve Motivation

The techniques to achieve motivation are (i) Economical such as wages, incentives, salary, bonuses, medical reimbursement etc. (ii) Non economical such as praise and prestige, status and pride, delegation of authority, participation, job security, job rotation, job enlargement, job loading, working quality etc.

18.6: THEORIES OF MOTIVATION

The theories of motivation is based on two principles such as the content principle and process principle. According to Fred Luthans the content theories are concerned with identifying the needs that people have and how needs are arranged. The process theories are more concerned with mental experiences that go into motivation or effort. According to J S Chandan, “The content theories attempt to determine and specify drives and needs that motivate people.” The content principles deals with what motivates people at work the process theories deal with how motivation occur. This principle is pounded by Maslow, McGregor, Herzberg and Alderfer. The theories are described below.

(1) Traditional Theory-

The traditional theory of motivation is also known as monistic theory of motivation or economic theory of motivation or Carrot and Stick Approach to motivation. This theory analyses human motivation in terms of economic factors. Everyone is economic man. In any society men try to develop their economic power. This is also based on fear, punishment and reward. F.W. Taylor was the first major proponent of this theory and after him all other classical thinkers followed his view.

However this theory was also criticized by the other thinkers. They were, (i) over simplification and under estimation, (ii) negligence of non-economic factors, (iii) Undermining the socio psychological factors.

(II) The Hierarchy of Needs by Abraham Maslow

In 1954 **Abraham Maslow**, in his book Motivation and personality, wrote, need hierarchy is the first systematic conceptual human motivation. He has also understood human behavior as a psycho-analysis. He has divided the human needs under five levels. The first one is self-actualization needs consists of hunger, thirst, sex and sleep. The second one is the security needs consists of protection against natural calamities, threat, danger. The third one is social needs deals with belongingness to group, family and friendship. The fourth one is the esteem needs which deals with achievement needs consists of independence, confidence, etc. The fifth one is self- actualization consists of realization of one's potential creativity.

The hierarchy of motivation by Maslow

Self-Actualization Needs
Esteem Needs
Social Needs
Security Needs
Physiological Needs

From the need hierarchy, physiological needs are the most fundamental and necessary for the individual in a society. The safety or security need occupies the next best fundamental need. Then the social needs help the individual to secure cherished place in the society by transforming their behavior. The esteem needs and the self-actualization needs finally come after the satisfaction of all the other needs. In this way Maslow's theory of need hierarchy has had remarkable effect on modern management approach to motivation.

18.7: SUMMARY

Motivation is a dynamic force setting a person into motion or action. It is core of Management. The word motivation is derived from the word which means motive. All motives are directed toward

goals and motivation is the drive to satisfy a want or goal. It is concerned with goal- oriented behavior. Motivation theories are generalisations about the why and how of employee behaviour. They suggest the different ways of motivating people. The content theorists concentrate on what motivates a person while process theorists concentrate on how motivation occurs. Content theorists focus on needs of people but process theories identify the variables that go into motivation and their relationships with one another.

18.8: KEY TERMS

- **Motivation:** Motivation is the willingness to exert high levels of effort towards organizational goals, conditioned by the effort and ability to satisfy some individual needs.
- **Motive:** Motives are directed towards goals, which may be conscious or sub- conscious.
- **Valence:** It is the strength of an employee's preference for a particular outcome. A valence of zero occurs when the individual is indifferent toward the outcome.
- **Instrumentality:** It is a major input into valence. It refers to the degree to which a first-level outcome will lead to a desired second-level outcome.

18.9: SELF ASSESSMENT QUESTIONS

- Define motivation? Discuss its importance in an organization.
- What if motivation? Discuss its features.
- Discuss the Maslow theory of motivation.

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UNIT 19: COMMUNICATION

Structure

- 19.1 Objectives
- 19.2 Introduction
- 19.3 Meaning and Definition of Communication
- 19.4 Types of Communication
- 19.5 Media and Communication
- 19.6 Guidelines for effective communication
- 19.7 Summary
- 19.8 Key Terms
- 19.9 Self Assessment Questions
- 19.10 References

19.1: OBJECTIVES

After going through this unit, you will be able:

- What is Communication
- Different types of Communication
- Guidelines for effective communication

19.2: INTRODUCTION

Communication is considered to be the most important and most effective ingredient of the management process. Interpersonal communication is fundamental to all managerial activities. All other management functions involve communication in some form of directions and feedback. Effective management is a function of effective communication. Probably the most frequently cited source of interpersonal conflict is poor communication. Many operations have failed because of inadequate communication, misunderstood messages and unclear instructions. Even in life, in general, communication plays a very important role among friends, within the family and in all social circles, since we spend nearly seventy percent of our waking hours communicating; writing, reading, speaking and listening. 'Failure to communicate' is generally cited as a cause of lost friendships, divorces and

distances between parents and children. Accordingly, communication plays an important role in all walks of human life as well as organizational life.

19.3: MEANING AND DEFINITION OF COMUNICATION

Communication is an important principle of organization. It is essential for organizational management. The word communication has been derived from the Latin word “Communis” which means common. So it may be said that communication is a process of sharing the ideas in common. It is one of the first principle of organization. For the successful achievement of organizational objectives communication and effective communication is very vital. It is an assembly unrelated and unorganized individuals, materials, machines and tools which makes effective for an organization. It is communication which gives life to an organizational structure. The communication system works like a moving machine in which organization is none other than the environment. Broadly speaking it deals with the means or media of transmitting information from individual to individual or place to place. It may occur within the organization or outside the organization. The word communication includes interchange of thought, contribution of ideas, information, a sense of sharing, mode of participation, etc. It not only refers to sharing of information but also good pieces of understanding. Transmission of information, order and instructions from the top to bottom of the administrative level, transmission of reports, ideas, suggestions, complaints from the lower to the higher, communication and cross communication in each and every step of the organization and maintenance of unity through proper communication channel by avoiding its gap or confusion are the basic significance of the communication theory.

Definitions

According to **Millet**, “Communication is the blood stream of an administrative organization and Communication is the shared understanding of shared purpose.”

According to **Pfiffner** “Communication is the heart of management”.

According to **Chester Bernard** “The first executive function is to develop and maintain a system of communication. Communication is the foundation of the cooperative group activity”.

According to **Peter Drucker** “Good communication is the foundation for sound administration”. and “Communication is the ability of the various functional groups within an enterprise to understand each other and each other’s functions and concerns”.

According to **N. Weiner** “Communication is the cement that makes an organization”.

According to **Keith Davis** “Communication is the process of passing information and understanding

from one person to another”

19.4: TYPES OF COMUNICATION

There are various types of communication such as

- (A) Internal communication
- (B) External communication
- (C) Interpersonal communication
- (D) Formal and Informal communication
- (E) Verbal or written commutation

The **internal communication** deals with the relationship of the organization with its employees. It may be upward, downward and across.

The upward communication travels from sub-ordinates to superiors and continues of the organizational hierarchy. It is known as subordinated initiated communication. In this type of communication the information and procedures are non-directive in nature. It is concerned with the employee’s relationship with the management.

The downward communication system is Superior-subordinate communication. According to Katz and Kahn there are five general purpose of downward communication. They are giving specific task directing towards job instructions, giving information about the process and practice of organization, providing information about the rationality of the profession, instructing the subordinates about their performance and providing ideological information to facilitate the propaganda of organizational goals and objectives. This is a type of communication where the relationship between the employees and the management is cemented by understanding the work problems and confiding’ s the directions.

External communication deals with public relations which needs to maintain a harmonious balance between the organizational process and management.

Interpersonal communication brings a bond relationship among the employees of the organization.

Formal and Informal: communication official channel and unofficial channel respectively. The formal communication is systematic and well planned, part of organizational structure based on formal relationship, goal and task oriented, less personnel, slow and structured, rigid and stable, few chances of falsification, etc.

The informal communication is spontaneous and unplanned, based on informal relationship directs towards goals and need satisfaction of individuals, personal and social, instable and flexible, unstructured and fast, lack of authenticity, many chances of falsification.

Verbal or written communication is the other important types of communication. It may be face to face discussion, telephonic talks, conferences, interviews, public speeches, etc. Written communication provides permanent record and can be an evidence.

19.5: MEDIA AND COMMUNICATION

Media plays a great role in communication process. It is possible through numerous media which may be divided into three categories. They are Audio for hearing, Visual for seeing and Audio-Visual for both hearing and seeing. The conferences, meetings, interviews, telephone calls, broadcasts, public meetings etc. are audio mediums. Circulars, manuals, reports, bulletins and handbooks are visual mediums. Pictures, telegraphs, photographs, posters, cartoons, flags, insignia, signs, sound motion picture, television, personal demonstration, etc. are the examples of audio visual mediums.

In the words of **Millet** important uses of conference are; to gain awareness of a problem; to help in problem solving; to gain acceptance and execution of decision; to help promote a sense of unity among the officials of the organization; help in appraising personnel; to encourage an exchange of information among administrative personnel.

Difficulties of Communication

There are certain difficulties of communication. They are given as under

Language medium of instruction- The Tyranny of words makes the communication process more difficult. It is because the words are the vehicles of the communication process. The difference in words and communication hinders the mutual understanding which creates a great turmoil. According to **Terry** „words may be classed as extensional and intentional. The former types of words denote objects that are definite, namely persons, places, and materials are easily understood.“In contrast, intentional words do not refer to something that can be pointed out. They neither always connote an identical meaning to different persons nor the same meanings to the same persons at all times.”

Ideological Barriers- Ideological barriers are the most important difficulties which bring a weak communication structure and weak communication function. According to Pfiffner “Ideological

Barriers are the differences in the backgrounds, education, and expectations result in different social and political views. These are probably the greatest handicaps to effective communication and probably the most difficult to overcome”

Absence of motivation or desire to communicate is not unknown.

Some managers do not believe that administration is a cooperative endeavour and a group effort; they do not think it necessary to share their ideas with their subordinates. A common weakness of a subordinate is to report only that information to the superior as is appetizing to him. This is a sure way of indulging the boss. Nothing can be worse for the confidence of a boss than encircled by yes men.

Size and Distance

The fourth barrier of communication is size and distance. The bigger an organization and the larger the number of its employees, the greater is the difficulty of communication. There also a problem in hierarchical levels. Information must infiltrate through levels each of which may include empire builders who consciously modify and sabotage higher authority. The problem of distance arises in the case of an agency having its field agencies scattered throughout the country. If one takes example then Postal department is the most vital one.

Absence of definite and recognized means of communication

Channels of communication may be formal and informal. In formal agency the information flows through hierarchical process. All the notes and flows are in the means of communication. Everything goes on through proper channel in formal organizations. All such procedures disseminating and creating consensus of opinion and understanding in the agency, but however detailed and comprehensive the formal channels, there is a tendency for informal channels to be set-up. According to Appleby, a good deal of circumvention of formal procedures is essential to make the transaction of business possible. Pfiffner and Presthus said the ability to short-circuit formal channels is, thus, a necessary and valuable art.

Essentialities of Communication: In the words of Millett, there are seven factors to make the communication effective. They are; it should be clear, consistent, with the expectation of the recipient, adequate, timely, uniform and acceptable.

According to Terry, there eight practices to achieve the goal. They are inform yourself fully,

establish a mutual trust in each other, find a common ground of experience, use mutually known words, have regard for context, secure and hold the receivers attention, employ examples and visual aids and practice delaying reactions.

19.6: GUIDELINES FOR EFFECTIVE COMMUNICATION

Effective communication, as we know, is vital for managing the employee at work efficiently. Without having effective communication plans and policy will not be materialized, even not implemented and that will lead to the wastage as well as stagnation organizational resources. It is equally important for securing smooth and coordinated functioning of organization for seeking objectives. Thus, the managers ought to be familiar with several methods, techniques and guidelines which are helpful in maximizing his communication abilities and efficiency. In order to make communication process more effective and responsive, the barriers to effective communication can be handled by the adaptation of following guidelines:

- To reduce and remove perception barrier the sender of message should attempt to know background level of knowledge of those with whom he is communicating. When the subject is not clear, asking questions becomes critical for effective communication.
- Language difference can be handled by explaining meaning of unconventional or technical terms in the simple language. As far as possible use of ambiguous words or the words having dual meaning or multiple interpretations should be avoided.
- Emotional reactions can be tackled by accepting them as a part of communicating process. These should be analysed properly when they create problems. If the subordinates are talking aggressively, it is necessary for the manager to understand their reaction only then he may be able to improve the situation. And the manager should also think about his own moods and must know how they influence others.
- Organizational structure, its rigidity and line of command also create a problem which can be solved by de-emphasizing authority relation and making more use of informal relations for communicating messages.
- In modern organization the manager to become good communicator has to learn three important skills, namely, skills of listening, talking, writing and conducting a meeting.

- An atmosphere of mutual trust and goodwill is to be created in organization to make communication process more effective.
- The channels of communication should be direct, short and straight forward to reduce delay and distortion in communication.
- Communication system of organization should consist of both formal as well as informal network.
- There should be at least two-way communication channels as to provide necessary feedback which is essential for its effectiveness.
- In modern organization it is also found that physical layout of work place also influences communication pattern. Thus, layout should be designed in such a way so as to facilitate frequent interaction and to maintain privacy that both contribute to effective communication.

19.7: SUMMARY

Communication is derived from the Latin word *communicare*, meaning "to share". It is the purposeful activity and exchange of information between two or more participants in order to convey or receive the intended meanings through a shared system of signs and semiotic rules. The term communication has been derived from the Latin word *communis* which means common. Therefore, communication is a process of transferring the business information in such a way or language that should be commonly understandable to all concerned. Effective communication takes place when the received message is understood in the same sense by the receiver as the sender intends. Communication is a process which involves participation of a sender with a message and a receiver, who must understand it and respond to it. The importance of communication in management can be hardly overemphasized. Managerial functions cannot be carried out without an efficient system of communication. Communication facilitates planning in a number of ways. Participation of executives in planning is a precondition for getting the task done. This can be secured only through interaction and communication. Whereas Conflict arises when a person or group negatively affects or is about to negatively affect the interests of other persons or groups.

19.8: KEY TERMS

- **Sender:** The person or entity initiating the communication and transmitting the message.
- **Receiver:** The individual or group for whom the message is intended and who interprets and decodes the message.
- **Message:** The information, idea, or content being conveyed from the sender to the receiver.
- **Context:** The circumstances, environment, or setting in which the communication occurs, influencing its interpretation.

19.9: SELF ASSESSMENT QUESTIONS

- What do you mean by communication?
- Discuss the meaning, process and channels of communication in details.
- Explain formal communication and differentiate it from informal communication.
- Explain the significance of informal communication in management.

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UNIT 20: DECISION MAKING

Structure

- 20.1 Objectives
- 20.2 Introduction
- 20.3 Features of Decision Making
- 20.4 Types of Decision making
- 20.5 Process of Decision Making
- 20.6 Models of Decision Making
- 20.7 Summary
- 20.8 Key Terms
- 20.9 Self Assessment Questions
- 20.10 References

20.1: OBJECTIVES

After going through this unit, you will be able to know:

- Decision making process in administration
- Different types of decision making
- Various models of decision making

20.2: INTRODUCTION

Decision making is a fundamental cognitive process that individuals, groups, and organizations engage in daily. It involves selecting a course of action or choosing from among various alternatives to address a particular situation or problem. Decision making is integral to human behavior and is crucial in both personal and professional contexts. The process of decision making typically begins with the identification of a problem or the recognition of an opportunity. Once a decision is deemed necessary, individuals or groups gather relevant information, generate possible alternatives, and evaluate these options based on a set of criteria. The ultimate goal is to choose the most appropriate course of action that aligns with desired outcomes and objectives. Various factors influence the decision-making process, including cognitive biases, emotions, time constraints, and the complexity of the decision at

hand. Understanding different models of decision making, such as the rational model, bounded rationality, and intuitive decision making, provides insights into the diverse ways individuals approach and navigate the decision-making landscape. Effective decision making is a skill that can be honed and improved through experience, feedback, and a willingness to learn from both successful and less successful decisions. In organizational settings, decision making is a critical aspect of leadership and management, impacting strategic planning, resource allocation, and overall performance. Exploring the intricacies of decision making offers valuable insights into human behavior, problem-solving strategies, and the dynamics of organizational functioning. Whether facing routine choices or complex strategic decisions, the ability to navigate the decision-making process is essential for individuals and groups seeking optimal outcomes in a wide range of situations.

20.3: FEATURES OF DECISION MAKING

Decision making is a complex cognitive process that involves various features and elements. Here are some key features of decision making:

1. Problem Identification:

Decision making often begins with the recognition of a problem or the identification of an opportunity that requires a choice or solution.

2. Goal-Oriented:

Decisions are typically made with the aim of achieving specific goals or objectives. The chosen option is expected to contribute to the desired outcomes.

3. Alternatives:

Decision making involves considering and evaluating different alternatives or courses of action. This may include generating options and assessing their feasibility.

4. Information Gathering:

Decision makers seek relevant information to make informed choices. This can involve data collection, research, and consultation with experts or stakeholders.

5. Evaluation Criteria:

Decision makers use criteria to evaluate the various alternatives. These criteria may include factors such as cost, benefits, risks, and alignment with organizational values.

6. Trade-offs:

Decision making often involves making trade-offs between competing factors. This requires weighing the advantages and disadvantages of each alternative.

7. Decision Makers:

Decisions can be made by individuals or groups, and the decision-making process may vary depending on the number of participants and their roles.

8. Rationality vs. Bounded Rationality:

Decision makers may follow a rational decision-making model, aiming to maximize utility, or exhibit bounded rationality, where cognitive limitations impact the thoroughness of the decision-making process.

9. Uncertainty and Risk:

Decision making is often conducted in an environment of uncertainty and risk. Decision makers must consider the likelihood of different outcomes and potential consequences.

10. Time Pressure:

Some decisions need to be made quickly due to time constraints. Time pressure can influence the depth of analysis and the level of consideration given to alternatives.

11. Implementation:

Once a decision is made, it needs to be implemented. This involves creating a plan, allocating resources, and putting the chosen course of action into practice.

12. Feedback and Adaptation:

Effective decision making involves monitoring outcomes and receiving feedback. Decision makers should be willing to adapt and adjust their approach based on the results and changing circumstances.

13. Ethical Considerations:

Ethical considerations play a significant role in decision making. Decisions should align with ethical standards and principles, and their potential impact on stakeholders should be carefully evaluated.

20.4: TYPES OF DECISION MAKING

Decision making can be categorized into various types based on different criteria, such as the level of involvement, the degree of structure, or the nature of the decision. Here are some common types of decision making:

1. Programmed Decision Making:

Routine Decisions: These are repetitive, well-defined decisions that follow established guidelines or procedures. They are usually made in response to routine situations.

2. Non-programmed Decision Making:

Non-routine Decisions: These are unique or novel decisions that arise in response to unfamiliar or exceptional situations. They often require more creative and customized solutions.

3. Individual Decision Making:

Made by a Single Person: Some decisions are made by a single individual without consulting others. This is common in personal or small-scale decisions.

4. Group Decision Making:

Made by a Group or Team: Involves the collective input and participation of multiple individuals. Group decision making can lead to diverse perspectives and may be beneficial for complex problems.

5. Autocratic Decision Making:

Made by a Single Authority: A single person, such as a leader or manager, makes decisions without seeking input from others. This approach is efficient but may lack diverse viewpoints.

6. Democratic Decision Making:

Made by Group Consensus: Involves group members participating in the decision-making process, often through voting or consensus-building. This approach aims to include various perspectives.

7. Intuitive Decision Making:

Based on Intuition or Gut Feeling: Some decisions are made based on intuition or instinctive feelings rather than a thorough analysis of information. This is common in situations where time is limited.

8. Analytical Decision Making:

Based on Data and Analysis: Involves a systematic analysis of information, data, and potential outcomes. Analytical decision making aims to minimize risks and make informed choices.

9. Strategic Decision Making:

Related to Organizational Strategy: High-level decisions that have a significant impact on an organization's overall direction and long-term goals.

10. Tactical Decision Making:

Operational Decisions: Concerned with day-to-day operations and implementation of strategies. Tactical decisions are often made by middle-level managers.

11. Crisis Decision Making:

Made in Emergency Situations: Involves making decisions quickly in response to unforeseen and critical events or crises.

These types of decision making are not mutually exclusive, and a decision-making process may involve elements of multiple types depending on the context and nature of the decision.

20.5: PROCESS OF DECISION MAKING

The decision-making process involves several stages, and the exact steps may vary depending on the context and complexity of the decision. Here is a general framework for the decision-making process:

1. Identification of the Decision:

Recognize that a decision needs to be made. Clearly define the problem or opportunity that requires a decision.

2. Define Goals and Objectives:

Clearly outline the goals and objectives that the decision aims to achieve. This step helps provide a clear direction for the decision-making process.

3. Gathering Information:

Collect relevant data and information related to the decision. This may involve research, analysis, and obtaining input from various sources.

4. Generate Alternatives:

Identify and brainstorm various possible solutions or courses of action. Encourage creativity and consider a range of options.

5. Evaluate Alternatives:

Assess the pros and cons of each alternative. Consider factors such as feasibility, risks, benefits, and potential outcomes. This step involves a thorough analysis of the available information.

6. Make the Decision:

Select the best alternative based on the evaluation. Choose the option that aligns most closely with the defined goals and objectives.

7. Implement the Decision:

Put the chosen decision into action. Develop a plan for implementation, allocate resources, and communicate the decision to relevant stakeholders.

8. Monitor and Evaluate:

Regularly assess the outcomes and effects of the decision. This step involves monitoring whether the decision is achieving the desired results and making adjustments as needed.

9. Learn from the Decision:

Reflect on the decision-making process. Consider what worked well and what could be improved. Use insights gained to inform future decision making.

It's important to note that decision making is not always a linear process, and individuals or groups may revisit and adjust previous stages based on new information or changing circumstances. Additionally, the level of formality and the time frame for decision making can vary depending on the nature of the decision. Complex decisions may involve more detailed analysis and a longer decision-making timeline, while routine decisions may be made more quickly with less formal deliberation.

20.6: MODELS OF DECISION MAKING

Several models of decision making have been proposed by researchers and scholars. These models provide frameworks for understanding and analyzing the decision-making process. Here are some notable decision-making models:

1. Rational Decision-Making Model:

Assumes that decision makers are rational and will make choices that maximize their utility. This model involves identifying the problem, generating alternatives, evaluating them, and selecting the best option based on a thorough analysis of available information.

2. Bounded Rationality Model:

Recognizes that individuals may not have the ability to process all available information or consider all possible alternatives due to cognitive limitations. Decision makers satisfice (choose a satisfactory option) rather than optimize (choose the best possible option).

3. Incremental Decision Making:

Suggests that decisions are often made through a series of small, incremental adjustments rather than through a comprehensive analysis of all alternatives. This model is particularly relevant in situations where there is a high level of uncertainty.

4. Intuitive Decision-Making Model:

Emphasizes the role of intuition and gut feelings in decision making. This model suggests that experienced decision makers can make effective decisions based on their intuition, especially in situations where time is limited.

5. Normative Decision-Making Model:

Prescribes the optimal decision-making process, outlining the steps that individuals should take to make the best choices. It often involves a systematic analysis of alternatives and the consideration of all relevant information.

6. Descriptive Decision-Making Model:

Describes how decisions are actually made in real-world settings, acknowledging that decision makers may not always follow a rational or normative approach. This model takes into account factors such as emotions, cognitive biases, and social influences.

7. Garbage Can Model:

Views decision making as a messy process with unclear preferences, fluid participation, and changing solutions. Decisions are seen as products of streams of problems, solutions, participants, and choice opportunities that flow through the organization.

8. Cybernetic Model:

Focuses on feedback loops and adjustments in decision making. It suggests that decision makers continuously receive feedback on the outcomes of their decisions and make adjustments accordingly.

9. Political Decision-Making Model:

Emphasizes the role of power, conflict, and negotiation in decision making within organizations. Decisions are viewed as outcomes of political processes where different stakeholders with varying interests influence the final choice.

10. Prospective Hindsight Model:

Involves looking into the future to anticipate the potential consequences of a decision. This model encourages decision makers to consider the long-term impact and likelihood of success or failure.

These models offer different perspectives on decision making, and their applicability depends on the context, the nature of the decision, and the individuals involved in the process. Many decision-making situations incorporate elements from multiple models.

20.7: SUMMARY

Different decision-making models, such as the rational model, bounded rationality, and intuitive decision making, provide frameworks for understanding the diverse ways individuals approach decisions. Decision making is an iterative process that involves implementation, monitoring of outcomes, and the potential need for adaptation based on feedback. Whether faced with routine choices or complex strategic decisions, individuals and organizations can enhance their decision-making capabilities through experience, feedback, and a willingness to learn from both successful and less successful decisions. Effective decision making is a critical skill that contributes to problem-solving,

strategic planning, and overall success in various aspects of life and work.

20.8: KEY TERMS

- **Decision:** The selection of a course of action or choice made after considering different alternatives.
- **Problem Solving:** The process of finding solutions to difficulties or challenges, often involving decision-making skills.
- **Alternatives:** Different options or choices that are available for consideration in the decision-making process.
- **Criteria:** The standards or factors used to evaluate and compare alternatives during the decision-making process.
- **Rationality:** The concept of making decisions based on logical reasoning and a systematic evaluation of alternatives.

20.9: SELF ASSESSMENT QUESTIONS

- What is decision making? Discuss features of decision making.
- Discuss different types of decision making.
- Discuss various models of decision making process.

20.10: REFERENCES

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